

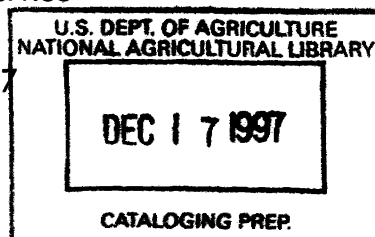
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Series Special Reports

FOREIGN OWNERSHIP OF U.S. AGRICULTURAL LAND

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ABSTRACT

Foreigners owned 5.2 million acres of U.S. agricultural land as of October 31, 1979. This is less than 0.5 percent of all privately held agricultural land, and less than 0.25 percent of all land in the United States. This share is unlikely to have any aggregate impact on agriculture, positive or negative. However, some communities could be locally affected in areas of heaviest concentration. These conclusions are based on an analysis of reports submitted in compliance with the Agricultural Foreign Investment Disclosure Act of 1978.

Keywords: Agricultural land, Foreign landownership, Land holdings, Land acquisitions, Land dispositions.

PREFACE

This report responds to section 5 of the Agricultural Foreign Investment Disclosure Act (AFIDA) of 1978 which requires the Secretary of Agriculture to: (1) analyze information on foreign ownership of U.S. agricultural land required to be reported under the act; (2) determine the impact of such ownership, particularly the effects on family farms and rural communities; and (3) determine the effectiveness and efficiency of the reporting requirements. The act requires a report on the information received in the first 6 months of implementation of the act.

The AFIDA program has been organized as an interagency effort. USDA's Agricultural Stabilization and Conservation Service (ASCS) has responsibility for collecting data and enforcing the act. USDA's Economics, Statistics, and Cooperatives Service (ESCS) is responsible for analyzing the data and submitting the periodic reports to the Congress. ASCS, with the aid of ESCS, devised the report form, ASCS-153.

As of October 31, 1979, USDA had received 7,500 forms. However, this report analyzes only the 3,784 correctly completed forms received by ESCS as of August 24, 1979. This cutoff date was used to allow time from August 1, 1979, the legislatively mandated due date for reporting holdings (as opposed to acquisitions, dispositions, or status changes), for ASCS to check report forms and deliver them to ESCS. This date was also used as a cutoff for analyzing the data on acquisitions, dispositions, and status changes in order to keep the time frame consistent with that for the holdings data. Data received after that date will be analyzed in the next report to the Congress, due in May 1980. However, acreage figures from the 6,549 correctly completed forms for holdings, acquisitions, and dispositions as of October 31, 1979, are displayed in the appendix tables.

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SUMMARY

The Agricultural Foreign Investment Disclosure Act (AFIDA) of 1978 requires all foreign owners of U.S. agricultural land to report those holdings to the Secretary of Agriculture. Foreign entities and individuals reported that they owned 5.2 million acres of U.S. agricultural land, as of October 31, 1979, less than 0.5 percent of U.S. agricultural land. The foreign-held acreage was summarized from the 6,500 correctly completed forms filed with the U.S. Department of Agriculture between February and October of 1979.

This report analyzes in greater detail the 3,784 correctly completed forms received by ESCS as of August 24, 1979, the cutoff date for the first 6-month period of the act. Of these forms, 3,392 reported on 2,899,998 acres of holdings (as of February 1, 1979), 227 on 154,432 acres of acquisitions and 23 on 4,991 acres of dispositions (from February 2, 1979, through May 31, 1979), and 142 on 505,438 leased acres.

A substantial percentage of the land held or acquired by foreigners is used for forest or timber. Forest lands account for 43 percent of the reported acreage; crop, pasture, and other agricultural land for 53 percent; and nonagricultural land or no response for 4 percent.

U.S. corporations with foreign interests reported owning 2,313,708 acres, or 76 percent of all reported U.S. foreign-held agricultural land. The remaining 740,722 acres, or 24 percent, were reported as being owned by foreigners not affiliated with U.S. corporations.

U.S. corporations with foreign interests from the United Kingdom, the Federal Republic of Germany, and Luxembourg reported owning 1,573,497 acres, or 52 percent of all reported U.S. foreign-held agricultural land.

Foreign holdings are concentrated in the South. Tennessee, Georgia, and South Carolina contain 750,462 acres, or 25 percent of foreign-held U.S. agricultural land.

Section 5 of the act requires a determination of the effects of foreign ownership of agricultural land on family farms and rural communities. Purchases by foreigners are likely to increase land values, but not greater than new entries into the real estate market from domestic sources. Foreign sellers of agricultural real estate have an opportunity for some advantage in the U.S. taxation of capital gains, but it is probably small.

Foreign ownership is no more likely to foreclose farming opportunities than purchases by domestic owners. Purchases of whole farms by foreigners will result in less farm size expansion than additions of partitioned farms by existing units. Foreign acquisitions will encourage renting, particularly cash renting. As in the case of other high-income absentees, foreign owners have tax incentives to encourage conservation and land improvements.

Community effects are diffuse and difficult to identify. The income effects on local governments and communities are likely to increase, at least in the short run. The other social effects are uncertain.

Economic effects and community impacts have also been examined by the Department in a report under Section 4(d) of the International Investment Survey Act of 1978. In that

report, the Department examined the feasibility of establishing a number of different systems (including an AFIDA-type system) for monitoring foreign investment in all U.S. real estate.

Effects of foreign ownership cannot be determined with certainty, based on the initial data. Additional studies are being conducted that compare foreign owners with other owners. The quantity of foreign-owned agricultural land is so small that it is unlikely that any aggregate impact on agriculture, positive or negative, could be detected. In areas of heaviest concentration, however, some communities could be locally affected.

Foreign Ownership of U.S. Agricultural Land*

INTRODUCTION

The Agricultural Foreign Investment Disclosure Act (AFIDA) was signed by the President on October 14, 1978,^{1/} and the regulations thereunder became effective February 2, 1979.^{2/} Briefly, the law, as implemented by the regulations, requires all foreign persons holding agricultural land as of February 1, 1979, to file a report of such holdings with the Secretary of Agriculture by August 1, 1979. All foreign persons who acquire or dispose of agricultural land on or after February 2, 1979, are required to report such transactions within 90 days of the transfer. In addition, any foreign person who holds land which subsequently becomes agricultural land or any person who holds agricultural land who subsequently becomes a foreign person must also file a report within 90 days of such change.

THE AGRICULTURAL FOREIGN INVESTMENT DISCLOSURE ACT

AFIDA specifies in detail the information to be supplied by the foreign persons and provides that necessary additional information may be obtained upon the request of the Secretary. The information reported consists of the legal names and addresses of the foreign persons; citizenship; nature of the legal entity, including the country of creation and the principal place of business; type of interest; legal description; acreage; name and address, if available, of the purchaser; intended use of the agricultural land by the foreign person; and purchase price or other consideration which was exchanged. Failure to comply with AFIDA shall subject the foreign owner to a possible civil penalty of up to 25 percent of the fair market value of the interest held in the land in question.

Pursuant to the act, completed report forms are available for public inspection in Washington, D.C., within 10 days of receipt by the Secretary. Copies of the completed report forms are sent periodically to each State's Secretary of Agriculture or comparable official.

*/ This report was prepared by the following staff members of the Natural Resource Economics Division of the Economics, Statistics, and Cooperatives Service, USDA: Marilyn E. Eichler, general attorney; J. Peter DeBraal, general attorney; Gene Wunderlich, senior agricultural economist; and Judith Green, program analyst.

1/ Pub. L. No. 95-460, 92 Stat. 1263 (1978) (to be codified in 7 U.S.C. §§3501-3508).

2/ 44 Fed. Reg. 7115 (1979) superseded in 44 Fed. Reg. 29029 (1979). See 44 Fed. Reg. 58495 (1979) for the delegation of authority; 44 Fed. Reg. 61602 (1979) for the proposed penalty rules.

A "foreign person," as defined in the act, includes any individual who is not a U.S. citizen or who is not lawfully admitted into the United States for permanent residence. Any person who holds an Immigration and Naturalization Service Form I-151 or a Form I-551 (green card) is considered lawfully admitted for permanent residence and is therefore exempt from the requirements of the act. Foreign governments and entities created under the laws of a foreign country or that have their principal places of business in a foreign country are also considered "foreign persons" under the act.

To identify foreigners who indirectly hold an interest in land through a U.S. entity, the act requires all entities which are created under the laws of one of the States or have their principal places of business in the United States to file a report if a "significant interest or substantial control" is directly or indirectly held in any such entity by any of the above-mentioned foreign persons. The regulations define "significant interest or substantial control" to mean at least a 5-percent interest in the legal entity.

"Agricultural land" is defined in the act as all land used for agricultural, forestry, or timber production purposes. The regulations further refine this definition by including idle land if its last use within the past 5 years was for agricultural, forestry, or timber production purposes. The law exempts all land, however, which is held in parcels of less than 1 acre, does not produce agricultural, forestry, or timber products realizing more than \$1,000 in annual gross sales, and whose products are produced for personal use.

AFIDA requires reporting "any interest" other than a security interest. The regulations exempt leaseholds of less than 10 years' duration, contingent future interests, and noncontingent future interests if they do not become possessory upon termination of the present estate. In addition, nonagricultural easements and rights of way are exempt. In an interpretation issued by the U.S. Department of Agriculture (USDA), mineral interests and options to purchase are also exempt.

The AFIDA program has been organized as an interagency effort. USDA's Agricultural Stabilization and Conservation Service (ASCS) has responsibility for the collection of data and enforcement of the act. USDA's Economics, Statistics, and Cooperatives Service (ESCS) is responsible for analysis of the data and the submission of periodic reports to the Congress.

ASCS, with the aid of ESCS, devised a report form ASCS-153. (See appendix.) This document is to be filled out by foreign persons or their representatives in the name of the persons or entities who actually own the land. In the case of U.S. agricultural land owned by a U.S. corporation which is deemed a "foreign person" under the act (and is the party legally responsible for providing the information required by the act), the report is submitted from the standpoint of the U.S. corporation rather than the foreign shareholder.

The AFIDA procedures provide for land to be reported by parcels. All land held in the same manner (type of interest), located in one county, and acquired at the same time is considered a parcel and is to be reported on a single form. Land does not have to be adjacent to be considered part of one parcel. This parcel concept is intended to ease the reporting burden.

All completed forms are sent to the ASCS county office serving the county in which the land is located. There, the forms are reviewed for completeness and accuracy. If there are any problems, the form is returned to the reporter for completion or correction. All completed forms are then sent to the ASCS office in Washington, D.C., where they are again reviewed. Any forms found to still contain errors, omissions, or misleading responses are returned to the county office for return to the reporter for completion. Correct forms are sent to ESCS for processing and analysis.

FOREIGN HOLDINGS OF U.S. AGRICULTURAL LAND

Data in this section are derived from the 3,784 correctly completed reports filed by "foreign persons" who held land as of February 1, 1979, as required under section 2(b) of the act, and received by ESCS as of August 24, 1979. These report forms account for 2.9 million acres of all U.S. agricultural land.

Data pertaining to holdings should be viewed in light of caveats accompanying the tables. Reporters' errors must also be considered in reviewing this study. Resulting data deficiencies are noted and highlighted as appropriate. The "No Report" category in the tables means that a response to the particular question was not made.

Concentration of Foreign Ownership

Tennessee, Georgia, and South Carolina contain the largest amount of foreign-owned agricultural land (table 1). Their total of 729,312 reported acres represents 25 percent of all the reported foreign-owned agricultural land in the United States. The South contains 1,133,295 acres of foreign-owned agricultural land, the largest amount in any of the regions.^{3/} This acreage figure represents 39 percent of all reported foreign investment in agricultural land.

Nevada, South Carolina, and Tennessee have the largest ratios of the reported foreign-owned agricultural land to all privately held land in the United States (table 1). Even so, these are extremely small.

Rhode Island is the only State with no reported foreign-held agricultural land.

Under the AFIDA regulations, only leases of 10 years or longer need be reported.^{4/} Leases are treated separately because they represent a totally different type of interest. Since the ASCS-153 form was not devised to deal with leases, questions on value, tenure, and method of acquiring land do not apply. Foreign persons who reported leasehold interests usually noted something on the form about their position as a lessee. ESCS received reports on 142 parcels of leased land. These parcels contain a total of 505,438 acres, of which timberland accounts for 94 percent.

Characteristics of Foreign Owners

Type of Foreign Owner

For purposes of this study, individuals are defined to include one person or a husband and wife. The land can be held as a tenancy in common, a joint tenancy, or a tenancy in the entirety. The partnerships category includes all legally defined partnerships, joint ventures, and any tenancy in common which includes two or more persons who are

^{3/} The Northeast region includes Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, and the District of Columbia. The North-central region includes Michigan, Wisconsin, Minnesota, Ohio, Indiana, Illinois, Iowa, Missouri, North Dakota, South Dakota, Nebraska, and Kansas. The Southern region includes Virginia, West Virginia, North Carolina, Kentucky, Tennessee, South Carolina, Georgia, Florida, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, Texas, and Puerto Rico. The Western region includes Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Washington, Oregon, California, Alaska, and Hawaii.

^{4/} 44 Fed. Reg. 29031-32 (1979) (to be codified in 7 C.F.R. §§781.2(c), 781.3).

Table 1--U.S. agricultural land holdings of foreign owners, by State, 1979

| State | Total area of State <u>1/</u> | Agricultural land | | Proportion foreign owned |
|----------------|----------------------------------|---------------------------|---------------|-----------------------------|
| | | Privately owned <u>2/</u> | Foreign owned | |
| | -----1,000 acres----- | | Acres | Percent |
| Alabama | 32,452 | 29,467 | 162,430 | 0.5 |
| Alaska | 362,516 | 400 | 337 | neg. |
| Arizona | 72,587 | 10,983 | 71,558 | .5 |
| Arkansas | 33,245 | 28,834 | 20,734 | .1 |
| California | 100,071 | 47,353 | 109,498 | .2 |
| Colorado | 66,410 | 37,527 | 132,137 | .4 |
| Connecticut | 3,112 | 2,267 | 220 | neg. |
| Delaware | 1,268 | 1,064 | 837 | .1 |
| Florida | 34,618 | 26,529 | 122,671 | .5 |
| Georgia | 37,167 | 33,253 | 223,412 | .7 |
| Hawaii | 4,112 | 1,992 | 14,287 | .7 |
| Idaho | 52,913 | 15,166 | 6,534 | neg. |
| Illinois | 35,679 | 32,326 | 29,477 | .1 |
| Indiana | 23,102 | 20,909 | 5,335 | neg. |
| Iowa | 35,802 | 33,912 | 12,699 | neg. |
| Kansas | 52,344 | 49,911 | 22,496 | neg. |
| Kentucky | 25,376 | 22,915 | 7,956 | neg. |
| Louisiana | 28,755 | 26,463 | 17,032 | .1 |
| Maine | 19,789 | 18,829 | 18,934 | .1 |
| Maryland | 6,330 | 5,146 | 10,285 | .2 |
| Massachusetts | 5,009 | 3,322 | 5 | neg. |
| Michigan | 36,363 | 26,117 | 5,489 | neg. |
| Minnesota | 50,745 | 36,204 | 16,101 | .1 |
| Mississippi | 30,269 | 26,629 | 77,704 | .3 |
| Missouri | 44,157 | 40,025 | 18,891 | neg. |
| Montana | 93,176 | 54,189 | 147,630 | .3 |
| Nebraska | 48,949 | 45,397 | 26,807 | .1 |
| Nevada | 70,328 | 7,586 | 130,266 | 1.7 |
| New Hampshire | 5,777 | 4,682 | 30,040 | .6 |
| New Jersey | 4,813 | 2,894 | 7,416 | .3 |
| New Mexico | 77,703 | 34,451 | 169,838 | .5 |
| New York | 30,612 | 24,257 | 122,064 | .5 |
| North Carolina | 31,231 | 27,321 | 75,986 | .3 |
| North Dakota | 44,339 | 39,617 | 11,805 | neg. |
| Ohio | 26,224 | 22,979 | 4,847 | neg. |
| Oklahoma | 44,020 | 38,875 | 2,982 | neg. |
| Oregon | 61,557 | 25,685 | 166,168 | .6 |
| Pennsylvania | 28,778 | 22,380 | 95,565 | .4 |
| South Carolina | 19,344 | 15,932 | 220,125 | 1.4 |
| South Dakota | 48,611 | 38,241 | 14,084 | neg. |
| Tennessee | 26,450 | 22,901 | 285,775 | 1.2 |
| Texas | 167,766 | 156,768 | 161,951 | .1 |
| Utah | 52,541 | 10,779 | 8,131 | .1 |
| Vermont | 5,931 | 5,251 | 24,167 | .5 |
| Virginia | 25,459 | 21,499 | 37,327 | .2 |
| Washington | 42,605 | 23,028 | 35,327 | .2 |
| West Virginia | 15,405 | 13,744 | 2,599 | neg. |
| Wisconsin | 34,857 | 27,637 | 9,853 | neg. |
| Wyoming | 62,210 | 26,142 | 1,800 | neg. |
| Puerto Rico | NA | NA | 386 | neg. |
| Total | 2,263,587 | 1,290,217 | 2,899,998 | .2 |

NA = Not available. neg. = Negligible. 1/ 1970 Census of Population. 2/ Privately held land based on T. Frey, "Major Uses of Land in the United States: 1974," Econ., Statis., Coop. Service, U.S. Dept. Agr., Ag. Econ. Rpt. No. 440, Nov. 1979. Estimate of total land less public land, urban, and transportation. Includes forest land, cropland, pasture range, and miscellaneous.

not married. The term partnership does not differentiate between joint tenancy and tenancy in common. In the interest of simplicity and brevity, fine legal distinctions, however important in an individual case, are ignored.

Each entity holding land is required to file a report. If two individuals own land as a partnership, the partnership is to file one report as a partnership, with the partners' names and citizenship listed on the back of the form. Occasionally, however, two people will file as individuals, each filing a separate report on the same land with a partial interest of, for example, 50 percent listed on each form. Because there is no way to accurately identify land by location, two individuals such as these cannot be distinguished from one partnership. This can occur when there is no legal partnership but individuals own the land as tenants in common. If they file together on one form, they are automatically considered a partnership. If they file separately, they are considered individuals. Therefore, the data on individuals and partnerships and the number of reported parcels should be used with caution.

Individuals are the most commonly reported type of owner, 1,215 of whom reported owning 216,532 acres of land (table 2). However, the 544 corporate holders, less than half the number of individuals, reported owning 2,346,696 acres--more than 10 times the acreage held by individuals. Both types of owners own approximately the same number of parcels: individuals, 1,379 parcels, or 1.13 parcels per holder; and corporations, 1,660 parcels, or 3.05 parcels per holder. However, corporate owners hold an average of 1,414 acres per parcel, or 4,314 acres per holder, compared with individuals who hold 157 acres per parcel, or 178 acres per holder. The 223 partnerships reported holding 276 parcels, for a total of 298,686 acres, averaging 1,082 acres per parcel, or 1,339 acres per holder.

Table 2

**ACREAGE OF U.S. AGRICULTURAL LAND HOLDINGS,
BY TYPE OF FOREIGN OWNER, 1979**

| TYPE OF OWNER | : NUMBER OF OWNERS : REPORTING | : NUMBER OF PARCELS : REPORTED | : ACRES | : NUMBER OF PERCENTAGES : REPORTED ^{1/} | : ACREAGE EQUIVALENT ^{2/} |
|---------------|---|---|--------------|---|--|
| INDIVIDUAL | : 1,215: | : 1,379: | : 216,563: | : 122: | : 196,455 |
| CORPORATION | : 544: | : 1,660: | : 2,346,696: | : 80: | : 2,323,859 |
| PARTNERSHIP | : 223: | : 276: | : 298,686: | : 32: | : 269,235 |
| ESTATE | : 7: | : 10: | : 1,071: | : 1: | : 1,057 |
| TRUST | : 32: | : 59: | : 35,506: | : 1: | : 35,503 |
| OTHER | : 4: | : 8: | : 1,476: | : 0: | : 1,476 |
| TOTAL | : 2,025: | : 3,392: | : 2,899,998: | : 236: | : 2,827,585 |

^{1/} NUMBER OF PARCELS FOR WHICH PERCENTAGES WERE REPORTED.

^{2/} ACREAGE EQUIVALENT EQUALS THE TOTAL ACREAGE REPORTED MULTIPLIED BY THE PERCENTAGE HELD BY THE FOREIGN OWNER.

Corporations own about 81 percent of the total acreage reported; partnerships, about 10 percent; and individuals, 7.5 percent. The remaining 1.5 percent is held by estates, trusts, and other types of owners comprising real estate investment trusts and church associations.

Size of Holding

All the land, regardless of the number of parcels reported, has been combined under each owner. The number of owners is therefore less than the number of parcels. Of course, owners do not always report their names in exactly the same way on each form.

Therefore, it is difficult to attribute these forms with great precision to one person or legal entity. Some foreign persons hold interests in entities which, in turn, own the land. These entities, of course, are treated as separate owners.

Table 2 shows the unequal size of holdings among various types of holders. Table 3 shows that 69 percent of the holders with less than 300 acres hold 3 percent of the land, and 31 percent of the holders with 300 acres or more hold 97 percent of the land. Part of this concentration can be explained by the definition of agricultural land, which includes extensive uses of land such as for ranching and forestry and intensive uses of land such as for orchards and vegetable farms. The different unit sizes due to differences in use may also explain part of the acreage differences among the States.

Table 3

SIZE OF FOREIGN HOLDINGS OF U.S. AGRICULTURAL LAND, 1979

| SIZE OF HOLDING | : : NUMBER OF : OWNERS : REPORTING : | : : NUMBER OF : PARCELS : REPORTED : | : : ACRES : | : : NUMBER : REPORTING : CURRENT : VALUE ^{1/} : | : : CURRENT : VALUE : (THOUS. DOL.) : |
|--------------------|--|--|-------------------|---|---|
| LESS THAN 20 | : 645: | : 663: | : 4,435: | : 575: | : 25,265 |
| 20 - 59 | : 273: | : 310: | : 9,633: | : 282: | : 27,984 |
| 60 - 99 | : 129: | : 152: | : 9,943: | : 129: | : 20,824 |
| 100 - 299 | : 358: | : 435: | : 62,491: | : 374: | : 134,829 |
| 300 - 999 | : 353: | : 491: | : 194,789: | : 407: | : 298,356 |
| 1000 OR MORE | : 267: | : 1,341: | : 2,618,707: | : 1,229: | : 893,300 |
| TOTAL | : 2,025: | : 3,392: | : 2,899,998: | : 2,996: | : 1,400,558 |

^{1/} NUMBER OF PARCELS FOR WHICH CURRENT VALUE WAS REPORTED.

In States where foreigners own few parcels, the possibility of one or two unusual situations prevents any generalization about concentration. For example, one large timber holding by a foreigner in a State with a large number of field-crop farms could easily be misinterpreted to suggest that a single foreigner was taking over the farming of the State. These and other hazards of interpretation suggest that the size data be used with caution.

Some of the concentration suggested by the acreage data also appears in the value data (table 3). Satisfactory replies on value were reported on only 2,996 of the 3,392 parcels for which there was acreage information. The distribution of the 2,996 parcels reporting current value shows that value is also concentrated in the higher ranges. Parcels ranging in size from 300 to 1,000 or more acres account for 85 percent of the value (table 3). As for acreage, however, it is possible that a small number of acres will account for a large share of the wealth.

As value represents one measure of size, the current value in table 3 is but one measure--price. Section 2 of AFIDA requires owners to report the purchase price. For recent acquisitions, current value generally will be close to but not always the same as purchase price. As time passes, purchase price becomes a poor indicator of current value. As would be expected, the total current estimated value of the real estate exceeds the total purchase price. There were 198 fewer reports on current value than on purchase price, so comparisons should be made with reservation (see table 4). For example, average current value of holdings acquired in 1978, for those reporting value, was \$665,000. The average 1978 purchase price, for those reporting purchase price, was \$605,000.^{5/} The overall appreciation, therefore, is approximately 10 percent. A series of such calculations to 1965 produced an average annual appreciation of slightly greater than 8 percent. Compared with the current rates of appreciation of land values of approximately 14 percent per year, the increase in value in foreign-held land would appear modest.

Country of Origin

The act is designed to impute foreign person status to certain U.S. entities holding direct and indirect interests in U.S. agricultural land. This is accomplished as a result of permitting each successive link in a chain of U.S. entities to be defined as "foreign persons" for the purposes of the act. However, only the "foreign person" who actually holds the direct interest in the land, the first layer or tier, is considered the reporting entity.

This entity may not actually be foreign, but under the act it is deemed a "foreign person" because another "foreign person" holds "a significant interest or substantial control" in it. In some instances, that second tier may not actually be foreign, but may be deemed "foreign" under the act for the same reason. The indirect "foreign" owner of the real estate may be at the end of a string of U.S. entities. At least 5 percent of each U.S. entity may be owned by the next U.S. entity which is defined as a "foreign person." Under the regulations, the reporting entity need only disclose (in addition to information about the land held, acquired, or transferred) the information about the second tier interest. However, the Secretary of Agriculture, under section 2(f) of the act, has the authority to obtain information concerning the entities in the other tiers that are further back than the reporting entity.

Some respondents have given information on tiers beyond the second tier without being requested to do so. In those cases, the first predominant country listed is used for processing. If only two tiers of U.S. corporations are listed, the report is processed as "U.S./Second Tier." Additional information from only a few reporting entities has been requested to date. Requests for this information from others will be made in the future. As can be seen in table 5, U.S./Second Tier accounts for only 0.8 percent of the total acreage owned and 0.7 percent of the parcels.

The reporting entity, whether U.S. or foreign, must, if such entity is a person other than an individual or government, under the regulations, provide information (names, addresses, citizenship, and the nature of the entity) on all foreign persons individually holding a 5-percent or more interest in the entity. This 5-percent standard differs from the standard for determining whether or not an entity is required to file at all. In the latter instance, if several foreign persons cumulatively own 5 percent or more of the entity, with no single individuals owning a 5-percent interest, the entity is defined as a "foreign person" and is required to file a report. However, the entity is not required to list the names and so forth of the foreign holders individually holding less than 5 percent of the entity. These forms are processed under the heading of "U.S./Multiple < 5%" in table 5.

^{5/} Reports for 659 parcels in 1978 reported a total current value of \$438,318,000. Reports for 710 parcels in 1978 reported a total purchase price of \$429,523,000.

Table 4

VALUE OF U.S. AGRICULTURAL LAND HOLDINGS, BY TYPE OF FOREIGN OWNER, 1979

| TYPE OF OWNER | NUMBER OF OWNERS | NUMBER REPORTING PURCHASE PRICE ^{1/} | NUMBER REPORTING PURCHASE PRICE (THOUS. DOL.) | NUMBER REPORTING NON-PURCHASE PRICE ^{1/} | NUMBER REPORTING NON-PURCHASE PRICE (THOUS. DOL.) | NUMBER REPORTING CURRENT VALUE ^{1/} | NUMBER REPORTING CURRENT VALUE (THOUS. DOL.) | NUMBER REPORTING EQUITY ^{1/} | NUMBER REPORTING EQUITY (THOUS. DOL.) |
|---------------|------------------|---|---|---|---|--|--|---------------------------------------|---------------------------------------|
| INDIVIDUAL | 1,215 | 1,265 | 135,300 | 99 | 6,006 | 1,196 | 162,583 | 1,247 | 90,444 |
| CORPORATION | 544 | 1,609 | 911,263 | 40 | 18,038 | 1,499 | 1,016,914 | 1,555 | 639,120 |
| PARTNERSHIP | 223 | 250 | 149,574 | 24 | 4,289 | 237 | 169,389 | 242 | 83,485 |
| ESTATE | 7 | 6 | 1,104 | 4 | 37 | 9 | 921 | 8 | 1,111 |
| TRUST | 32 | 57 | 44,625 | 2 | 104 | 49 | 49,978 | 54 | 32,866 |
| OTHER | 4 | 7 | 629 | 0 | 0 | 6 | 773 | 6 | 521 |
| TOTAL | 2,025 | 3,194 | 1,242,495 | 169 | 28,474 | 2,996 | 1,400,558 | 3,112 | 847,547 |

^{1/} NUMBER OF PARCELS FOR WHICH INFORMATION WAS REPORTED.

TABLE 5

U.S. AGRICULTURAL LAND HOLDINGS, BY COUNTRY OF FOREIGN OWNER, 1979

| COUNTRY | NUMBER OF OWNERS REPORTING | NUMBER OF PARCELS REPORTED | ACRES | NUMBER REPORTING CURRENT VALUE 1/ | CURRENT VALUE (THOUS. DOL.) |
|----------------|----------------------------|----------------------------|---------|-----------------------------------|-----------------------------|
| ARGENTINA | 4 | 4 | 216 | 4 | 468 |
| AUSTRALIA | 5 | 11 | 1,057 | 10 | 455 |
| AUSTRIA | 13 | 14 | 831 | 9 | 207 |
| BAHAMAS | 2 | 3 | 399 | 3 | 1,316 |
| BELGIUM | 6 | 6 | 2,613 | 4 | 1,488 |
| BERMUDA | 4 | 6 | 8,234 | 6 | 6,939 |
| BRAZIL | 2 | 3 | 482 | 3 | 1,055 |
| BR. VIRGIN IS. | 2 | 3 | 3,055 | 3 | 1,435 |
| CANADA | 870 | 967 | 162,737 | 837 | 103,164 |
| CAYMAN ISLANDS | 2 | 2 | 1,977 | 1 | 672 |
| CHILE | 1 | 1 | 5 | 1 | 15 |
| CHINA | 4 | 5 | 1,106 | 4 | 586 |
| COLOMBIA | 9 | 14 | 8,008 | 8 | 9,083 |
| CZECHOSLOVAKIA | 3 | 3 | 455 | 3 | 76 |
| DENMARK | 8 | 9 | 3,342 | 8 | 2,085 |
| ECUADOR | 1 | 1 | 2 | 1 | 40 |
| FRANCE | 9 | 10 | 5,323 | 6 | 851 |
| GERMANY(WEST) | 250 | 320 | 165,202 | 278 | 143,244 |
| GREECE | 1 | 1 | 1,266 | 1 | 500 |
| GUATEMALA | 3 | 3 | 106 | 3 | 561 |
| HONDURAS | 1 | 1 | 15 | 1 | 119 |
| HONG KONG | 8 | 11 | 5,053 | 8 | 19,189 |
| INDIA | 2 | 2 | 203 | 2 | 380 |
| INDONESIA | 1 | 1 | 20 | 1 | 50 |
| IRAN | 4 | 4 | 451 | 3 | 330 |
| IRELAND | 3 | 4 | 310 | 2 | 49 |
| ISRAEL | 2 | 2 | 177 | 1 | 85 |
| ITALY | 7 | 10 | 1,606 | 9 | 1,997 |
| IVORY COAST | 1 | 1 | 119 | 1 | 100 |
| JAMAICA | 1 | 1 | 294 | 1 | 267 |
| JAPAN | 10 | 12 | 2,571 | 10 | 12,482 |
| JORDAN | 2 | 2 | 229 | 1 | 450 |
| SOUTH KOREA | 1 | 1 | 26 | 1 | 180 |
| KUWAIT | 1 | 1 | 217 | 1 | 120 |
| LEBANON | 3 | 4 | 809 | 4 | 580 |
| LIBERIA | 2 | 2 | 1,446 | 0 | 0 |
| LIECHTENSTEIN | 10 | 16 | 12,954 | 16 | 9,914 |
| MEXICO | 32 | 44 | 25,584 | 33 | 10,833 |
| NETHERLANDS | 45 | 59 | 20,137 | 55 | 22,072 |
| NETH. ANTILLES | 67 | 92 | 155,793 | 84 | 97,682 |
| NEW ZEALAND | 1 | 1 | 160 | 1 | 208 |
| NORWAY | 11 | 11 | 3,538 | 8 | 967 |
| PAKISTAN | 1 | 1 | 80 | 1 | \$160 |
| PANAMA | 21 | 29 | 15,925 | 25 | 28,091 |
| PHILIPPINES | 10 | 13 | 754 | 7 | 929 |
| SPAIN | 3 | 3 | 872 | 2 | 2,193 |

SEE FOOTNOTES AT END OF TABLE.

--CONTINUED

TABLE 5

U.S. AGRICULTURAL LAND HOLDINGS, BY COUNTRY OF FOREIGN OWNER, 1979-CONTINUED

| COUNTRY | NUMBER OF OWNERS REPORTING | NUMBER OF PARCELS REPORTED | ACRES | NUMBER REPORTING CURRENT VALUE 1/ | CURRENT VALUE (THOUS. DOL.) |
|-------------------|----------------------------|----------------------------|-----------|-----------------------------------|-----------------------------|
| SWEDEN | 5 | 5 | 1,275 | 5 | 524 |
| SWITZERLAND | 74 | 91 | 15,315 | 86 | 13,191 |
| TURKEY | 1 | 1 | 520 | 1 | 130 |
| UNITED KINGDOM | 40 | 60 | 23,819 | 47 | 5,749 |
| URUGUAY | 1 | 1 | 9 | 1 | 225 |
| VENEZUELA | 21 | 26 | 1,931 | 24 | 5,403 |
| MULTIPLE | 19 | 26 | 7,350 | 25 | 8,882 |
| US/AUSTRALIA | 1 | 1 | 75 | 1 | 500 |
| US/AUSTRIA | 3 | 4 | 935 | 4 | 1,369 |
| US/BAHAMAS | 4 | 5 | 20,118 | 5 | 9,624 |
| US/BELGIUM | 7 | 11 | 34,217 | 9 | 5,284 |
| US/BERMUDA | 4 | 5 | 924 | 5 | 5,243 |
| US/BRAZIL | 1 | 1 | 858 | 1 | 2,122 |
| US/BR. VIRGIN IS. | 2 | 6 | 11,197 | 6 | 3,982 |
| US/CANADA | 62 | 209 | 190,217 | 186 | 185,737 |
| US/CAYMAN IS. | 8 | 13 | 9,736 | 11 | 36,520 |
| US/CHINA | 7 | 7 | 1,042 | 4 | 1,959 |
| US/COLOMBIA | 4 | 4 | 6,735 | 4 | 7,290 |
| US/DENMARK | 1 | 1 | 185 | 1 | 200 |
| US/FRANCE | 11 | 24 | 41,039 | 23 | 92,149 |
| US/GERMANY(WEST) | 59 | 89 | 207,246 | 71 | 81,756 |
| US/GREECE | 3 | 3 | 5,178 | 1 | 1,500 |
| US/GUYANA | 1 | 2 | 334 | 2 | 284 |
| US/HONG KONG | 3 | 3 | 959 | 3 | 1,373 |
| US/IRAN | 1 | 1 | 41 | 1 | 450 |
| US/IRAQ | 1 | 1 | 800 | 0 | 0 |
| US/ITALY | 3 | 4 | 2,410 | 4 | 2,521 |
| US/JAPAN | 12 | 16 | 11,818 | 14 | 21,541 |
| US/LEBANON | 1 | 1 | 134 | 1 | 160 |
| US/LIBERIA | 6 | 6 | 20,830 | 1 | 1,200 |
| US/LIECHTENSTEIN | 24 | 28 | 14,873 | 19 | 30,281 |
| US/LUXEMBOURG | 10 | 12 | 399,328 | 4 | 7,661 |
| US/MEXICO | 7 | 7 | 23,987 | 7 | 13,516 |
| US/NETHERLANDS | 25 | 153 | 146,919 | 149 | 56,422 |
| US/NETH. ANTILLES | 19 | 31 | 53,909 | 28 | 45,169 |
| US/PANAMA | 12 | 14 | 6,680 | 12 | 7,134 |
| US/PHILIPPINES | 1 | 1 | 1,035 | 0 | 0 |
| US/POLAND | 1 | 1 | 147 | 1 | 88 |
| US/SOUTH AFRICA | 1 | 1 | 1,478 | 1 | \$1,500 |
| US/SWEDEN | 1 | 1 | 187 | 0 | 0 |
| US/SWITZERLAND | 43 | 80 | 58,668 | 77 | 44,761 |
| US/EGYPT | 1 | 1 | 165 | 1 | 138 |
| US/UNITED KINGDOM | 24 | 644 | 898,272 | 606 | 149,139 |
| US/MULTIPLE < 5% | 2 | 2 | 537 | 1 | 80 |
| US/VENEZUELA | 8 | 10 | 2,496 | 10 | 1,905 |
| US/SECOND TIER | 9 | 25 | 23,184 | 24 | 38,077 |
| US/MULTIPLE | 22 | 40 | 35,127 | 38 | 24,152 |
| TOTAL | 2,025 | 3,392 | 2,899,998 | 2,996 | 1,400,558 |

1/ NUMBER OF PARCELS FOR WHICH CURRENT VALUE WAS REPORTED.

Where persons from many different countries hold direct and indirect interests in one piece of land, the predominant country whose interest is most direct is identified as the country of origin. For example, West German and Swiss citizens could invest in a Netherlands Antilles corporation which owns a 5-percent interest in a corporate landholder created under the laws of Panama. In this case, Panama would be the country of origin, since the "foreign person" who owns the land is a Panamanian corporation. When there is no predominant country--for example, a partnership between a Canadian and a West German--the report is processed under "Multiple."

Reports filed by U.S. corporations which have foreign shareholders are classified "U.S./ (foreign country)." The foreign country represents the first predominant foreign country, regardless of the tier in which it occurs. For example, a U.S. corporation owned by another U.S. corporation which supplies the name of a Canadian corporate shareholder is processed as "U.S./Canada." The same treatment is given to a U.S. corporation which has a Canadian shareholder who owns 10 percent of the stock, or a U.S. corporation solely owned by a Canadian corporation which is solely owned by a French corporation. Therefore, the category "U.S./Canada" represents a variety of Canadian interests in a U.S. corporation.

Of the 2,899,998 acres of foreign-held agricultural land reported by "foreign persons," 2,234,020 acres were reported as held by U.S. corporations with foreign interests. The remaining 665,978 acres, or 23 percent, are held by foreign persons not connected with a U.S. corporation.

Land Use

As is evident from table 6, 1,289,572 acres of the land reported are timber or forest land. A number of large U.S. timber companies are partially or solely owned by foreigners. Thus, deemed to be "foreign persons," they are required to report their holdings. This represents 45 percent of all reported agricultural land processed in time for this report. Each parcel averages about 902 acres, approximately 2.3 times greater than the holdings of cropland.

Cropland accounts for only 17 percent of the acres reported. Cropland, pasture land, and other agricultural land together total 1,496,132 acres; this is 52 percent of all foreign-reported acreage but only 0.1 percent of all privately held farmland in the United States. The "Other Agriculture" category includes such types of land as orchards and vineyards.

Land is to be reported by parcel in the quantity in which it is purchased in one county. The nonagricultural category is supposed to contain either the acreage that was purchased in conjunction with land that falls in other agricultural use categories or land that is idle now but was used within the last 5 years for agriculture. Many Canadians apparently purchased parcels of few acres on which they have built or intended to build recreation homes. Because the parcels contained timber, these purchases were required to be reported. However, when many of these people filled out the forms, they put all of the acreage in the nonagricultural category. This accounts for the large number of other nonagricultural parcels with a relatively small acreage total.

As table 7 indicates, U.S./U.K. corporations own 856,785 acres of timberland, or 66 percent of all timberland reported. The next largest foreign owners of timberland are U.S./Canadian and U.S./Netherlands corporations. The largest three groups of holders of cropland are foreign persons from West Germany, Canada, and the Netherlands Antilles. The largest "Other Nonagriculture" holders are U.S./Canadian corporations, holding 15,125 acres, or 0.5 percent of the total reported acreage.

Table 6

**USE OF U.S. AGRICULTURAL LAND
HELD BY FOREIGN OWNERS, 1979**

| USAGE | NUMBER OF | |
|-----------------------|-----------|-----------|
| | PARCELS | ACRES |
| | REPORTED | |
| | <u>1/</u> | |
| CROPS | 1,256 | 492,498 |
| PASTURE | 724 | 698,029 |
| FOREST | 1,429 | 1,289,572 |
| OTHER AGRICULTURE | 378 | 305,605 |
| OTHER NON-AGRICULTURE | 1,271 | 100,134 |
| NOT REPORTED | 26 | 14,160 |
| TOTAL | 5,084 | 2,899,998 |

1/ TOTAL NUMBER OF PARCELS REPORTED--5,084--DIFFERS FROM TOTAL NUMBER OF PARCELS REPORTED IN OTHER TABLES BECAUSE OF DOUBLE COUNTING. SOME PARCELS, FOR EXAMPLE, COMBINED BOTH CROPS AND PASTURE AND WERE COUNTED IN BOTH THE CROPS AND PASTURE CATEGORIES.

Intended Use

Concern has been expressed about farmland being purchased and taken out of agricultural production. Foreigners do not appear to be proceeding in this direction to any significant degree.

No change in use is intended for 95.4 percent of the acres (table 8). Intended use changes to other agricultural usage were reported for holders of 1.2 percent of the acreage. Reports for 1.5 percent of the acreage indicate that some change to nonagricultural use is intended. Such reports do not necessarily mean, however, that all of this acreage will be changed. What they do mean is that the holders of this acreage intend to change the use of some of the acreage. However, the report form does not ask how much acreage will be involved. Reports representing 1.9 percent of the acreage did not indicate intended use.

Tenure Change

No tenure changes were reported for 35 percent of the parcels, or 42 percent of the acreage (table 9). Reports for 40 percent of the parcels containing 50 percent of the acreage indicate a new tenure arrangement on at least part of the land. The number of acres affected by the new tenure arrangements is not reported. Thus, the acreage may be overstated; that is, all of the acreage in these parcels are not necessarily affected by new tenure arrangements. Nevertheless, reports for 0.4 percent of the parcels accounting for 0.2 percent of the acreage indicated that some of the tenure arrangements would stay the same and some would change. No responses on tenure changes were received for 24.6 percent of the parcels containing 7.8 percent of the acreage.

Table 7-

USE OF U.S. AGRICULTURAL LAND HOLDINGS, BY COUNTRY OF FOREIGN OWNER, 1979

| COUNTRY | CROPLAND ACRES | PASTURE ACRES | FOREST ACRES | OTHER AGRICULTURE ACRES | OTHER NON- AGRICULTURE ACRES | ACRES NO USAGE REPORTED | TOTAL |
|-------------------|-------------------|------------------|-----------------|-------------------------------|------------------------------------|-------------------------------|---------|
| ARGENTINA | 10: | 24: | 0: | 20: | 162: | 0: | 216 |
| AUSTRALIA | 0: | 3: | 364: | 1: | 639: | 50: | 1,057 |
| AUSTRIA | 666: | 25: | 53: | 0: | 87: | 0: | 831 |
| BAHAMAS | 80: | 300: | 0: | 0: | 19: | 0: | 399 |
| BELGIUM | 274: | 697: | 260: | 725: | 657: | 0: | 2,613 |
| BERMUDA | 3,735: | 85: | 3,672: | 0: | 742: | 0: | 8,234 |
| BRAZIL | 156: | 326: | 0: | 0: | 0: | 0: | 482 |
| BR. VIRGIN IS. | 0: | 2,992: | 0: | 0: | 63: | 0: | 3,055 |
| CANADA | 55,465: | 48,341: | 36,221: | 7,291: | 15,125: | 295: | 162,738 |
| CAYMAN ISLANDS | 1,686: | 0: | 0: | 291: | 0: | 0: | 1,977 |
| CHILE | 0: | 0: | 5: | 0: | 0: | 0: | 5 |
| CHINA | 90: | 110: | 835: | 0: | 71: | 0: | 1,106 |
| COLOMBIA | 346: | 40: | 37: | 7,567: | 18: | 0: | 8,008 |
| CZECHOSLOVAKIA | 257: | 153: | 30: | 0: | 15: | 0: | 455 |
| DENMARK | 1,865: | 33: | 1,436: | 0: | 8: | 0: | 3,342 |
| ECUADOR | 1: | 0: | 0: | 0: | 1: | 0: | 2 |
| FRANCE | 563: | 3,789: | 761: | 187: | 23: | 0: | 5,323 |
| GERMANY (WEST) | 84,569: | 37,855: | 25,495: | 8,738: | 8,545: | 0: | 165,202 |
| GREECE | 0: | 1,150: | 0: | 0: | 116: | 0: | 1,266 |
| GUATEMALA | 38: | 36: | 28: | 0: | 4: | 0: | 106 |
| HONDURAS | 15: | 0: | 0: | 0: | 0: | 0: | 15 |
| HONG KONG | 160: | 645: | 3,638: | 510: | 100: | 0: | 5,053 |
| INDIA | 116: | 70: | 9: | 0: | 8: | 0: | 203 |
| INDONESIA | 0: | 0: | 20: | 0: | 0: | 0: | 20 |
| IRAN | 54: | 164: | 217: | 16: | 0: | 0: | 451 |
| IRELAND | 216: | 0: | 2: | 15: | 77: | 0: | 310 |
| ISRAEL | 155: | 6: | 0: | 0: | 16: | 0: | 177 |
| ITALY | 1,135: | 39: | 163: | 251: | 18: | 0: | 1,606 |
| IVORY COAST | 0: | 0: | 80: | 39: | 0: | 0: | 119 |
| JAMAICA | 0: | 291: | 0: | 0: | 3: | 0: | 294 |
| JAPAN | 1,264: | 939: | 206: | 2: | 160: | 0: | 2,571 |
| JORDAN | 144: | 60: | 25: | 0: | 0: | 0: | 229 |
| SOUTH KOREA | 0: | 0: | 0: | 26: | 0: | 0: | 26 |
| KUWAIT | 84: | 0: | 125: | 0: | 8: | 0: | 217 |
| LEBANON | 560: | 104: | 0: | 0: | 145: | 0: | 809 |
| LIBERIA | 0: | 0: | 890: | 0: | 556: | 0: | 1,446 |
| LIECHTENSTEIN | 1,677: | 570: | 10,632: | 0: | 75: | 0: | 12,954 |
| MEXICO | 3,632: | 20,584: | 305: | 186: | 877: | 0: | 25,584 |
| NETHERLANDS | 10,624: | 2,746: | 2,628: | 999: | 3,140: | 0: | 20,137 |
| NETH. ANTILLES | 50,816: | 90,295: | 7,788: | 3,129: | 3,765: | 0: | 155,793 |
| NEW ZEALAND | 160: | 0: | 0: | 0: | 0: | 0: | 160 |
| NORWAY | 2,552: | 382: | 0: | 144: | 460: | 0: | 3,538 |
| PAKISTAN | 80: | 0: | 0: | 0: | 0: | 0: | 80 |
| PANAMA | 2,850: | 6,866: | 1,069: | 1,329: | 3,393: | 418: | 15,925 |
| PHILIPPINES | 253: | 28: | 5: | 40: | 28: | 0: | 754 |
| SPAIN | 872: | 0: | 0: | 0: | 0: | 0: | 872 |
| SWEDEN | 115: | 70: | 1,090: | 0: | 0: | 0: | 1,275 |
| SWITZERLAND | 6,810: | 2,406: | 3,805: | 490: | 1,804: | 0: | 15,315 |
| TURKEY | 159: | 245: | 0: | 116: | 0: | 0: | 520 |
| UNITED KINGDOM | 2,411: | 9,789: | 2,004: | 2,256: | 1,752: | 5,607: | 23,819 |
| URUGUAY | 0: | 8: | 0: | 1: | 0: | 0: | 9 |
| VENEZUELA | 657: | 102: | 641: | 173: | 358: | 0: | 1,931 |
| MULTIPLE | 2,741: | 2,827: | 390: | 235: | 997: | 160: | 7,350 |
| SUBTOTAL - | | | | | | | |
| NON-U.S. INTEREST | 240,113: | 235,595: | 104,929: | 34,777: | 44,035: | 6,530: | 665,979 |
| US/AUSTRALIA | 0: | 0: | 0: | 0: | 75: | 0: | 75 |
| US/AUSTRIA | 675: | 0: | 232: | 0: | 28: | 0: | 935 |
| US/BAHAMAS | 15,721: | 4,124: | 0: | 167: | 106: | 0: | 20,118 |
| US/BELGIUM | 4,642: | 28,208: | 377: | 400: | 590: | 0: | 34,217 |
| US/BERMUDA | 447: | 196: | 0: | 281: | 0: | 0: | 924 |
| US/BRAZIL | 557: | 0: | 0: | 301: | 0: | 0: | 858 |
| US/BR. VIRGIN IS. | 600: | 365: | 10,217: | 0: | 15: | 0: | 11,197 |
| US/CANADA | 7,319: | 12,319: | 154,923: | 1,711: | 13,945: | 0: | 190,217 |
| US/CAYMAN IS. | 7,356: | 847: | 809: | 259: | 465: | 0: | 9,736 |
| US/CHINA | 1,039: | 0: | 0: | 0: | 3: | 0: | 1,042 |
| US/COLOMBIA | 110: | 6,575: | 50: | 0: | 0: | 0: | 6,735 |
| US/DENMARK | 127: | 0: | 47: | 5: | 6: | 0: | 185 |
| US/EGYPT | 147: | 0: | 18: | 0: | 0: | 0: | 165 |
| US/FRANCE | 8,142: | 10,872: | 6,657: | 10,884: | 4,484: | 0: | 41,039 |
| US/GERMANY (WEST) | 33,999: | 150,212: | 11,844: | 2,967: | 8,224: | 0: | 207,246 |
| US/GREECE | 0: | 3,531: | 0: | 0: | 1,647: | 0: | 5,178 |

Table 7

USE OF U.S. AGRICULTURAL LAND HOLDINGS, BY COUNTRY OF FOREIGN OWNER, 1979--CONTINUED

| COUNTRY | CROPLAND ACRES | PASTURE ACRES | FOREST ACRES | OTHER AGRICULTURE ACRES | OTHER NON- AGRICULTURE ACRES | ACRES NO USAGE REPORTED | TOTAL |
|-------------------|-------------------|------------------|-----------------|-------------------------------|------------------------------------|-------------------------------|-----------|
| US/GUYANA | 0: | 0: | 0: | 334: | 0: | 0: | 334 |
| US/HONG KONG | 568: | 391: | 0: | 0: | 0: | 0: | 959 |
| US/IRAN | 36: | 0: | 0: | 0: | 5: | 0: | 41 |
| US/IRAQ | 800: | 0: | 0: | 0: | 0: | 0: | 800 |
| US/ITALY | 1,724: | 63: | 608: | 0: | 15: | 0: | 2,410 |
| US/JAPAN | 5,910: | 0: | 4,795: | 72: | 1,041: | 0: | 11,818 |
| US/LEBANON | 31: | 40: | 61: | 0: | 2: | 0: | 134 |
| US/LIBERIA | 1,069: | 17,936: | 1,063: | 560: | 202: | 0: | 20,830 |
| US/LIECHTENSTEIN | 11,511: | 954: | 492: | 382: | 1,534: | 0: | 14,873 |
| US/LUXEMBOURG | 6,870: | 153,513: | 1,918: | 236,931: | 96: | 0: | 399,328 |
| US/MEXICO | 2,001: | 14,423: | 132: | 5,616: | 1,815: | 0: | 23,987 |
| US/NETHERLANDS | 10,707: | 18,342: | 110,484: | 150: | 7,236: | 0: | 146,919 |
| US/NETH. ANTILLES | 37,671: | 3,994: | 8,907: | 739: | 2,598: | 0: | 53,909 |
| US/PANAMA | 2,936: | 1,245: | 1,106: | 705: | 688: | 0: | 6,680 |
| US/PHILIPPINES | 650: | 0: | 0: | 0: | 385: | 0: | 1,035 |
| US/POLAND | 72: | 25: | 50: | 0: | 0: | 0: | 147 |
| US/SOUTH AFRICA | 900: | 300: | 178: | 50: | 50: | 0: | 1,478 |
| US/SWEDEN | 96: | 0: | 0: | 0: | 91: | 0: | 187 |
| US/SWITZERLAND | 30,692: | 16,459: | 6,185: | 1,993: | 3,339: | 0: | 58,668 |
| US/UNITED KINGDOM | 19,326: | 7,163: | 856,785: | 4,665: | 2,703: | 7,630: | 898,272 |
| US/VENEZUELA | 605: | 0: | 1,176: | 61: | 654: | 0: | 2,496 |
| US/MULTIPLE < 5% | 300: | 0: | 235: | 0: | 2: | 0: | 537 |
| US/SECOND TIER | 17,305: | 1,366: | 932: | 1,308: | 2,273: | 0: | 23,184 |
| US/MULTIPLE | 19,724: | 8,971: | 4,362: | 287: | 1,783: | 0: | 35,127 |
| SUBTOTAL - | : | : | : | : | : | : | : |
| U.S. INTEREST | 252,385: | 462,434: | 1,184,643: | 270,828: | 56,100: | 7,630: | 2,234,020 |
| TOTAL | 492,498: | 698,029: | 1,289,572: | 305,605: | 100,135: | 14,160: | 2,899,999 |

Table 8

INTENDED USE OF U.S. AGRICULTURAL LAND HOLDINGS OF FOREIGN OWNERS 1979

| INTENDED USE | NUMBER OF PARCELS REPORTED | ACRES | NUMBER REPORTING CROPLAND ^{1/} | CROPLAND ACRES |
|-----------------------|----------------------------------|-----------|---|-------------------|
| NO CHANGE | 3,049 | 2,765,346 | 1,165 | 456,245 |
| OTHER AGRICULTURE | 78 | 34,007 | 30 | 8,900 |
| OTHER NON-AGRICULTURE | 207 | 44,860 | 49 | 8,368 |
| NOT REPORTED | 58 | 55,785 | 12 | 18,985 |
| TOTAL | 3,392 | 2,899,998 | 1,256 | 492,498 |

^{1/} NUMBER OF PARCELS FOR WHICH CROPLAND WAS REPORTED.

Table 9

TENURE CHANGE IN FOREIGN HELD U.S. AGRICULTURAL LAND, 1979

| TENURE CHANGE | NUMBER OF PARCELS REPORTED | ACRES | NUMBER REPORTING CURRENT VALUE ^{1/} | CURRENT VALUE (THOUS. DOL.) |
|---------------|----------------------------------|-----------|---|-----------------------------------|
| SAME | 1,184 | 1,206,754 | 1,043 | 601,236 |
| NEW | 1,359 | 1,460,204 | 1,248 | 568,584 |
| BOTH | 14 | 6,388 | 11 | 10,171 |
| NOT REPORTED | 835 | 226,652 | 694 | 220,567 |
| TOTAL | 3,392 | 2,899,998 | 2,996 | 1,400,558 |

^{1/} NUMBER OF PARCELS FOR WHICH CURRENT VALUE WAS REPORTED.

FOREIGN ACQUISITIONS OF U.S. AGRICULTURAL LAND

This section deals with acquisitions of agricultural land by foreigners during the period February 2, 1979, through May 31, 1979. Since foreign persons who transfer land after February 1, 1979, have 90 days to file, only those who transferred land from February 2, 1979, to May 26, 1979, would have been required to file by August 24, 1979. Because the report form asks only for month and year and not the day, the time for reporting acquisitions was extended to May 31, 1979. Of such acquisition reports received, only those correctly completed and received by ESCS as of August 24, 1979, are included in the following tables.

Also included in these acquisition tables are those reports filed by U.S. entities which became foreign after February 1, 1979. This change could occur if 5 percent or more of a U.S. corporation was subsequently acquired by a "foreign person." It is important to realize, therefore, that all of the acreage does not represent recent purchases. These acquisitions could include land held for any length of time by a

U.S. entity which recently came within the definition of "foreign person" under the act. The caveats discussed at the outset of the landholdings discussion and in conjunction with the landholdings tables should be considered when reviewing the acquisition materials.

Concentration of Foreign Acquisition

Foreign persons acquired 154,432 acres during the period February 2, 1979, through May 31, 1979 (table 10). California, Colorado, and Louisiana are reported to have the largest acreages acquired during this period. Their total of 84,742 acres represents 55 percent of the total reported during this period. Ten States and Puerto Rico reported no acquisitions during this period.

Characteristics of Foreign Owners

Type of Foreign Owner

Reports for 81 individual owners indicate 82 parcels were acquired during this period (table 11). Sixty-five corporations reported acquiring 113 parcels containing approximately four times as many acres as those parcels acquired by individuals. Individual reports account for 18 percent of the acreage acquired during this period, whereas corporations account for 70 percent.

Corporations acquired an average of 961 acres per parcel, or 1,670 acres per holder, compared with individuals who acquired an average of 338 acres per parcel, or 342 acres per owner. Data on these corporate acquisitions are less than the comparable data for holdings, whereas data on individual acquisitions are larger than those on average holdings. Partnerships acquired 11 percent of the acreage, less than individuals and corporations. Partnerships acquired an average of 634 acres per parcel, or 713 acres per owner, which is less than the comparable data for partnership holdings.

Each individual and partnership reported acquiring approximately one parcel each, whereas corporations reported acquiring an average of 1.7 parcels per corporation.

Iowa, Texas, and Vermont reported the largest number of parcels acquired by individuals during the period, seven parcels in each State, with relatively small amounts of acreage (table 20). The largest amount of acreage acquired by an individual during the period was 6,810 acres reported in one parcel in Hawaii. The largest numbers of parcels acquired by organizations were reported in Alabama, Florida, and Georgia. However, most of the acreage acquired by organizations during the period was reported for California, Colorado, and Louisiana. Organizations reported acquiring more than four times the number of acres acquired by individuals, but less than twice the number of parcels.

Size of Holding

The 300-to-999 acres category contained the largest number of owners reporting acquisitions (table 12). However, owners with 1,000 acres or more acquired approximately 76 percent of the acreage. Owners with less than 1,000 acres reported acquiring approximately one parcel each, whereas owners with more than 1,000 acres acquired approximately three parcels each. Owners acquiring 1,000 acres or more purchased approximately 2,036 acres per parcel, versus owners with 300-to-999 acres who purchased approximately 507 acres per parcel.

Table 10.

**U.S. AGRICULTURAL LAND ACQUISITIONS
OF FOREIGN OWNERS, BY STATE,
ACQUIRED FEBRUARY 2, 1979 - MAY 31, 1979**

| STATE | ACRES | VALUE ^{1/} (THOUS. DOL.) |
|----------------|----------|--------------------------------------|
| ALABAMA | 2,699: | 1,788 |
| ARIZONA | 1,530: | 2,479 |
| ARKANSAS | 3,563: | 3,537 |
| CALIFORNIA | 59,045: | 24,731 |
| COLORADO | 13,101: | 3,360 |
| FLORIDA | 2,368: | 8,713 |
| GEORGIA | 6,463: | 4,132 |
| HAWAII | 6,810: | 104 |
| ILLINOIS | 1,114: | 1,710 |
| INDIANA | 237: | 672 |
| IOWA | 1,749: | 4,458 |
| KANSAS | 40: | 32 |
| KENTUCKY | 564: | 1,154 |
| LOUISIANA | 12,596: | 11,083 |
| MARYLAND | 1,371: | 3,394 |
| MICHIGAN | 48: | 48 |
| MISSISSIPPI | 3,970: | 4,733 |
| MISSOURI | 215: | 173 |
| MONTANA | 5: | 93 |
| NEBRASKA | 277: | 314 |
| NEW HAMPSHIRE | 445: | 286 |
| NEW JERSEY | 210: | 199 |
| NEW MEXICO | 1,870: | 1,320 |
| NEW YORK | 264: | 108 |
| NORTH CAROLINA | 1,868: | 1,879 |
| NORTH DAKOTA | 216: | 75 |
| OHIO | 2,606: | 4,601 |
| OKLAHOMA | 392: | 353 |
| OREGON | 213: | 510 |
| PENNSYLVANIA | 261: | 553 |
| SOUTH CAROLINA | 3,310: | 1,369 |
| SOUTH DAKOTA | 154: | 136 |
| TENNESSEE | 11,377: | 5,135 |
| TEXAS | 3,980: | 7,778 |
| VERMONT | 251: | 440 |
| VIRGINIA | 2,931: | 3,032 |
| WASHINGTON | 2,483: | 1,981 |
| WEST VIRGINIA | 1,889: | 158 |
| WISCONSIN | 347: | 1,050 |
| WYOMING | 1,600: | 410 |
| TOTAL | 154,432: | 108,081 |

^{1/} VALUE, FOR THOSE PARCELS FOR WHICH VALUE WAS REPORTED, EQUALS PURCHASE PRICE AND NONPURCHASE PRICE (ESTIMATED VALUE).

Table 11

**ACREAGE OF U.S. AGRICULTURAL LAND ACQUISITIONS,
BY TYPE OF FOREIGN OWNER,
ACQUIRED FEBRUARY 2, 1979 - MAY 31, 1979**

| TYPE OF OWNER | : : NUMBER OF : OWNERS : REPORTING | : : NUMBER OF : PARCELS : REPORTED | : : ACRES | : : NUMBER OF : PERCENTAGES : REPORTED ^{1/} | : : ACREAGE : EQUIVALENT ^{2/} |
|---------------|---|---|--------------|---|--|
| INDIVIDUAL | : 81: | : 82: | : 27,687: | : 10: | : 25,861 |
| CORPORATION | : 65: | : 113: | : 108,568: | : 3: | : 108,495 |
| PARTNERSHIP | : 24: | : 27: | : 17,112: | : 1: | : 17,094 |
| TRUST | : 4: | : 4: | : 1,060: | : 0: | : 1,060 |
| OTHER | : 1: | : 1: | : 5: | : 0: | : 5 |
| TOTAL | : 175: | : 227: | : 154,432: | : 14: | : 152,515 |

^{1/} NUMBER OF PARCELS FOR WHICH PERCENTAGES WERE REPORTED.

^{2/} ACREAGE EQUIVALENT EQUALS THE TOTAL ACREAGE REPORTED MULTIPLIED BY THE PERCENTAGE HELD BY THE FOREIGN OWNER.

Table 12

**SIZE OF FOREIGN ACQUISITIONS OF U.S. AGRICULTURAL LAND
ACQUIRED FEBRUARY 2, 1979 - MAY 31, 1979**

| SIZE OF ACQUISITION | : : NUMBER OF : OWNERS : REPORTING | : : NUMBER OF : PARCELS : REPORTED | : : ACRES | : : VALUE ^{1/} : (THOUS. DOL.) |
|------------------------|---|---|--------------|---|
| LESS THAN 20 | : 31: | : 31: | : 242: | : 2,209 |
| 20 - 59 | : 29: | : 29: | : 963: | : 4,509 |
| 60 - 99 | : 13: | : 15: | : 1,022: | : 2,967 |
| 100 - 299 | : 36: | : 39: | : 6,232: | : 11,183 |
| 300 - 999 | : 46: | : 55: | : 27,902: | : 36,699 |
| 1000 OR MORE | : 20: | : 58: | : 118,071: | : 50,514 |
| TOTAL | : 175: | : 227: | : 154,432: | : 108,081 |

^{1/} VALUE, FOR THOSE PARCELS FOR WHICH VALUE WAS REPORTED, EQUALS PURCHASE PRICE AND NONPURCHASE PRICE (ESTIMATED VALUE).

Country of Origin

U.S. corporations with foreign interests and foreign persons not affiliated with a U.S. corporation acquired approximately the same amount of acreage--52 and 48 percent, respectively (table 13).

Table 13

**U.S. AGRICULTURAL LAND ACQUISITIONS, BY COUNTRY OF FOREIGN OWNER,
ACQUIRED FEBRUARY 2, 1979 - MAY 31, 1979**

| COUNTRY | NUMBER OF OWNERS REPORTING | NUMBER OF PARCELS REPORTED | ACRES | VALUE ^{1/} (THOUS. DOL.) |
|-------------------|----------------------------------|----------------------------------|---------|--------------------------------------|
| BELGIUM | 1 | 1 | 64 | 296 |
| BERMUDA | 1 | 1 | 445 | 286 |
| BR. VIRGIN IS. | 1 | 1 | 10,873 | 5,000 |
| CANADA | 35 | 37 | 10,175 | 12,724 |
| CHINA | 1 | 1 | 80 | 1,275 |
| EGYPT | 1 | 1 | 8 | 8 |
| GERMANY (WEST) | 44 | 47 | 21,150 | 19,325 |
| IRAN | 1 | 1 | 426 | 100 |
| ITALY | 1 | 1 | 314 | 750 |
| LIECHTENSTEIN | 3 | 3 | 242 | 275 |
| MEXICO | 2 | 2 | 306 | 336 |
| NETHERLANDS | 8 | 8 | 3,622 | 1,200 |
| NETH. ANTILLES | 14 | 20 | 21,324 | 15,572 |
| PANAMA | 1 | 1 | 107 | 806 |
| PHILIPPINES | 1 | 1 | 170 | 153 |
| SPAIN | 1 | 1 | 23 | 35 |
| SWITZERLAND | 5 | 5 | 3,879 | 4,345 |
| SYRIA | 1 | 1 | 38 | 52 |
| UNITED KINGDOM | 4 | 4 | 406 | 419 |
| VENEZUELA | 2 | 2 | 999 | 260 |
| MULTIPLE | 2 | 2 | 92 | 126 |
| SUBTOTAL - | | | | |
| NON-U.S. INTEREST | 130 | 141 | 74,743 | 63,343 |
| US/BELGIUM | 1 | 1 | 682 | 306 |
| US/CANADA | 5 | 23 | 3,455 | 5,901 |
| US/CHINA | 1 | 1 | 107 | 174 |
| US/DENMARK | 1 | 1 | 588 | 700 |
| US/FRANCE | 2 | 4 | 126 | 460 |
| US/GERMANY (WEST) | 14 | 19 | 65,427 | 25,552 |
| US/GUATEMALA | 1 | 1 | 392 | 353 |
| US/LIBERIA | 1 | 1 | 12 | 90 |
| US/LIECHTENSTEIN | 3 | 3 | 2,075 | 3,131 |
| US/LUXEMBOURG | 1 | 1 | 203 | 659 |
| US/NETHERLANDS | 2 | 2 | 25 | 367 |
| US/SWITZERLAND | 5 | 8 | 3,440 | 4,939 |
| US/UNITED KINGDOM | 7 | 20 | 3,021 | 2,069 |
| US/MULTIPLE | 1 | 1 | 136 | 37 |
| SUBTOTAL - | | | | |
| U.S. INTEREST | 45 | 86 | 79,689 | 44,738 |
| TOTAL | 175 | 227 | 154,432 | 108,081 |

^{1/} VALUE, FOR THOSE PARCELS FOR WHICH VALUE WAS REPORTED, EQUALS PURCHASE PRICE AND NONPURCHASE PRICE (ESTIMATED VALUE).

Land Use

Of the acreage acquired for the reporting period, 59 percent is cropland and 19 percent is forest land (table 14). This is the reverse of the land-use holding reports where holdings for forest land exceed those for cropland. Only 2 percent of the acreage acquired was reported in the "Other Nonagriculture" category.

Table 14

USE OF U.S. FOREIGN OWNED AGRICULTURAL LAND ACQUIRED FEBRUARY 2, 1979 - MAY 31, 1979

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The largest acquisitions of cropland were reported by U.S./West German corporations, accounting for 54 percent of the cropland and 32 percent of the total acquisitions (table 15). The second largest group, foreign persons from the Netherlands Antilles, reported acquiring 21 percent of the cropland. The largest three groups of forest land acquisitions are reported by foreign persons from the British Virgin Islands and West Germany and U.S./West German corporations.

Intended Use

The reports of acquisitions for this period indicate no change in land use for 91 percent of the acreage (table 16). Intended changes to other agricultural use were reported for holders of 7.7 percent of the acquired acreage. Reports by holders of 1.3 percent of the acreage indicate an intended change to nonagricultural use. Since the form asked for changes by parcels and not acres, all of this acreage may not be affected by the indicated changes. The figure for change to nonagricultural use is approximately the same for the holdings reports, whereas the holdings figure for no change is slightly higher and the figure for change to other agricultural use is slightly lower. Reports for only two parcels accounting for 63 acres did not respond to the intended-use question. Organizations reporting a change to nonagricultural use account for slightly less than twice the number of acres as individuals, or 0.9 percent of the total acreage acquired during the period.

Table 15

**USE OF U.S. AGRICULTURAL LAND, BY COUNTRY OF OWNER,
ACQUIRED FEBRUARY 2, 1979 - MAY 31, 1979**

| COUNTRY | CROPLAND ACRES | PASTURE ACRES | FOREST ACRES | OTHER AGRICULTURE ACRES | OTHER NON- AGRICULTURE ACRES | ACRES NO USAGE REPORTED | TOTAL |
|---------------------------------|-------------------|------------------|-----------------|-------------------------------|------------------------------------|-------------------------------|---------|
| BELGIUM | 60: | 0: | 0: | 0: | 4: | 0: | 64 |
| BERMUDA | 13: | 0: | 356: | 76: | 0: | 0: | 445 |
| BR. VIRGIN IS. | 0: | 0: | 10,873: | 0: | 0: | 0: | 10,873 |
| CANADA | 5,391: | 1,104: | 362: | 2,725: | 593: | 0: | 10,175 |
| CHINA | 80: | 0: | 0: | 0: | 0: | 0: | 80 |
| EGYPT | 0: | 0: | 0: | 8: | 0: | 0: | 8 |
| GERMANY(WEST) | 7,305: | 7,677: | 5,418: | 516: | 234: | 0: | 21,150 |
| IRAN | 0: | 0: | 0: | 0: | 426: | 0: | 426 |
| ITALY | 0: | 100: | 200: | 14: | 0: | 0: | 314 |
| LIECHTENSTEIN | 197: | 0: | 40: | 0: | 5: | 0: | 242 |
| MEXICO | 0: | 306: | 0: | 0: | 0: | 0: | 306 |
| NETHERLANDS | 1,382: | 1,324: | 910: | 0: | 6: | 0: | 3,622 |
| NETH. ANTILLES | 19,235: | 1,499: | 160: | 150: | 280: | 0: | 21,324 |
| PANAMA | 107: | 0: | 0: | 0: | 0: | 0: | 107 |
| PHILIPPINES | 150: | 0: | 0: | 20: | 0: | 0: | 170 |
| SPAIN | 23: | 0: | 0: | 0: | 0: | 0: | 23 |
| SWITZERLAND | 2,641: | 172: | 1,001: | 0: | 65: | 0: | 3,879 |
| SYRIA | 0: | 0: | 38: | 0: | 0: | 0: | 38 |
| UNITED KINGDOM | 141: | 0: | 0: | 157: | 108: | 0: | 406 |
| VENEZUELA | 110: | 0: | 861: | 0: | 28: | 0: | 999 |
| MULTIPLE | 0: | 0: | 0: | 0: | 92: | 0: | 92 |
| SUBTOTAL - NON-U.S. INTEREST | 36,835: | 12,182: | 20,219: | 3,666: | 1,841: | 0: | 74,743 |
| US/BELGIUM | 0: | 0: | 682: | 0: | 0: | 0: | 682 |
| US/CANADA | 110: | 74: | 2,524: | 646: | 101: | 0: | 3,455 |
| US/CHINA | 107: | 0: | 0: | 0: | 0: | 0: | 107 |
| US/DENMARK | 125: | 115: | 348: | 0: | 0: | 0: | 588 |
| US/FRANCE | 26: | 37: | 2: | 0: | 61: | 0: | 126 |
| US/GERMANY(WEST) | 49,750: | 5,309: | 3,071: | 6,946: | 351: | 0: | 65,427 |
| US/GUATEMALA | 0: | 392: | 0: | 0: | 0: | 0: | 392 |
| US/LIBERIA | 6: | 0: | 0: | 0: | 6: | 0: | 12 |
| US/LIECHTENSTEIN | 1,944: | 0: | 20: | 91: | 20: | 0: | 2,075 |
| US/LUXEMBOURG | 203: | 0: | 0: | 0: | 0: | 0: | 203 |
| US/NETHERLANDS | 0: | 0: | 0: | 0: | 25: | 0: | 25 |
| US/SWITZERLAND | 2,291: | 578: | 296: | 269: | 6: | 0: | 3,440 |
| US/UNITED KINGDOM | 247: | 0: | 2,606: | 0: | 168: | 0: | 3,021 |
| US/MULTIPLE | 55: | 0: | 81: | 0: | 0: | 0: | 136 |
| SUBTOTAL - U.S. INTEREST | 54,864: | 6,505: | 9,630: | 7,952: | 738: | 0: | 79,689 |
| TOTAL | 91,699: | 18,687: | 29,849: | 11,618: | 2,579: | 0: | 154,432 |

Table 16

**INTENDED USE OF U.S. AGRICULTURAL LAND, BY TYPE OF FOREIGN OWNER,
ACQUIRED FEBRUARY 2, 1979 - MAY 31, 1979**

| INTENDED USE | TYPE OF OWNER | | | | | |
|-----------------------|----------------------------------|---------|----------------------------------|-------|----------------------------------|---------|
| | INDIVIDUAL | | GOVERNMENT | | ORGANIZATION | |
| | NUMBER OF PARCELS REPORTED | ACRES | NUMBER OF PARCELS REPORTED | ACRES | NUMBER OF PARCELS REPORTED | ACRES |
| NO CHANGE | 75: | 26,777: | - | - | 128: | 113,621 |
| OTHER AGRICULTURE | 2: | 128: | - | - | 4: | 11,747 |
| OTHER NON-AGRICULTURE | 5: | 782: | - | - | 11: | 1,314 |
| NOT REPORTED | - | - | - | - | 2: | 63 |
| TOTAL | 82: | 27,687: | - | - | 145: | 126,745 |

Tenure Change

Reports for 43 percent of the parcels acquired during the period indicate no tenure change for 67 percent of the acreage (table 17). This is a considerably higher percentage than was reported for no change in the holdings reports. Reports for 37 percent of the acquisition parcels containing 27 percent of the acreage indicated a tenure change. Again, not all of this acreage is necessarily affected by tenure arrangements. No responses on tenure change were made for 21 percent of the parcels accounting for 6 percent of the acreage.

Table 17

**TENURE CHANGE
IN FOREIGN OWNED U.S. AGRICULTURAL LAND
ACQUIRED FEBRUARY 2, 1979 - MAY 31, 1979**

| TENURE CHANGE | : : NUMBER OF : PARCELS : REPORTED : | : : : : : | ACRES |
|---------------|--|-----------------------|---------|
| SAME | : 97: | : | 102,665 |
| NEW | : 83: | : | 41,901 |
| NOT REPORTED | : 47: | : | 9,866 |
| TOTAL | : 227: | : | 154,432 |

DISPOSITIONS AND LAND-USE CHANGES

Data in tables 18 and 19 reflect reports of dispositions which occurred after February 1, 1979, but before May 31, 1979, and which were correctly completed and received by ESCS as of August 24, 1979. This is the same time frame used for the acquisitions reporting period.

Foreign persons reported disposing of 4,991 acres of U.S. agricultural land between February 2, 1979, and May 31, 1979. The largest dispositions occurred in South Carolina and Oregon. Twenty-six States reported no dispositions during this period.

Transfers by foreign investors to other known foreign persons account for only 3 percent of the acreage transferred. Reports for 3,070 acres indicate that they were sold to U.S. purchasers.

If a running inventory of land is to be maintained, each parcel of foreign-held land must be uniquely identified, preferably with a geographic locator.^{6/} Tracing the ownership of parcels over time on an aggregated basis without such identifiers is virtually impossible. Therefore, there is no way of accurately following one particular piece of land when it is acquired or sold.

There is no report on the limited number of land-use changes because the forms received by ESCS are currently being corrected.

^{6/} For a discussion of parcel identifier standards, see D. Moyer and K. Fisher, Land Parcel Identifiers for Information Systems, Chicago: Am. Bar Foundation, 1973.

Table 18--Dispositions of U.S. agricultural land by foreign owners,
by State, February 2-May 31, 1979

| STATE | : | PARCELS | : | ACRES |
|----------------|---|---------|---|-------|
| | : | | : | |
| Alabama | : | 1 | : | 5 |
| Colorado | : | 1 | : | 132 |
| Florida | : | 1 | : | 8 |
| Georgia | : | 4 | : | 888 |
| Illinois | : | 1 | : | 31 |
| Minnesota | : | 1 | : | 640 |
| Mississippi | : | 2 | : | 164 |
| Missouri | : | 2 | : | 894 |
| North Carolina | : | 2 | : | 7 |
| Oregon | : | 1 | : | 918 |
| South Carolina | : | 3 | : | 1,250 |
| Tennessee | : | 1 | : | 23 |
| Utah | : | 1 | : | 5 |
| Washington | : | 2 | : | 26 |
| | : | | : | |
| Total | : | 23 | : | 4,991 |

Table 19--Dispositions of U.S. agricultural land by foreign owners
to purchasers of U.S., foreign, and unknown citizenship,
February 2-May 31, 1979.

| Purchaser | : | Parcels | : | Acres |
|---------------|---|---------|---|-------|
| | : | | : | |
| United States | : | 15 | : | 3,070 |
| Foreign | : | 2 | : | 156 |
| Unknown | : | 6 | : | 1,765 |
| | : | | : | |
| Total | : | 23 | : | 4,991 |

IMPACTS OF FOREIGN OWNERSHIP ON FAMILY FARMS AND RURAL COMMUNITIES

Section 5 of AFIDA calls for an analysis of the data on foreign holdings and transfers as they pertain to family farms and rural communities. The following analysis provides an initial statement on the economic and social effects of foreign ownership of agricultural land. The objective is to identify the significant features of foreign investment in agricultural land and to determine whether those features have a positive or negative effect on agriculture and rural communities. The analysis is subject to change after processing of further data and the completion of supplementary studies.

Of the 2.2 billion acres of land in the United States, 1.3 billion acres is in private ownership of which approximately 95 percent is agricultural land as defined by the act. As of October 31, 1979, foreigners are reported as owning 5.2 million acres of this agricultural land, less than 0.5 percent of all privately held land and less than 0.25 percent of all land in the United States.

Effects of Foreign Ownership

Impacts of foreign ownership on agriculture and rural communities may take a variety of forms, some of which are too subtle or indirect to identify or measure. Initially, at least, examination of the possible effects is limited to those most commonly noted: foreign investment increases land prices, reduces farming opportunities, neglects soil and related resources, reduces local markets for inputs, and reduces production and productivity. Concerns about many of these effects were revealed in congressional hearings preceding passage of AFIDA and the reports on the bills.^{7/}

For purposes of this report, an attempt is made to determine the direction of the influence of foreign ownership or acquisition. Because the information supplied by the AFIDA reports does not permit conclusive testing of these relationships, this preliminary analysis must depend heavily on judgment. These judgments are generally consistent with those of a number of real estate specialists and economists who have examined the impact of foreign investment on farmland.^{8/}

Land Prices

Any additional demand in a market with a relatively fixed supply, such as land, is likely to have a positive effect on price. The issue here is whether the foreign purchaser influences the market price more or less than a domestic purchaser.

Recent increases in farmland prices clearly indicate strong forces at work in U.S. farm real estate markets. The average value per acre rose from \$246 in 1973 to \$559 in 1979. Farmland prices have increased 13 percent or more in 6 of the last 7 years.

The pattern of these increases, however, has been irregular among States and in successive years. Since 1973, percentage changes in average values from one year to the next have ranged from -4 to 36 percent in different States. The State with a 4-percent decrease in price in 1978 experienced a 22-percent increase in 1979.^{9/}

The geographic pattern of foreign investment bears little or no relationship to the patterns of price change. For example, Georgia and Tennessee, which report some of the highest rates of foreign investment, have had average or below-average increases in land value since 1973. Other States, such as Kentucky, Wisconsin, and Minnesota, with their restrictions or low rates of foreign investment, have experienced above-average increases in land prices.

^{7/} See, H.R. Rep. No. 1570, 95th Cong., 2d Sess. (1978), and S. Rep. No. 1072, 95th Cong., 2d Sess. (1978).

^{8/} See, for example, Senate Committee on Agriculture, Nutrition, and Forestry, Foreign Investment in United States Agricultural Land, 95th Cong., 2d Sess. (1979). An especially incisive and detailed analysis is: D. Jansma, F. Goode, and P. Small, "Economic Effects of Foreign Farmland Investments on Farms and Rural Communities," in U.S. Department of Agriculture, Monitoring Foreign Investment in U.S. Real Estate, 1979, Vol. 3, pp. 1-68.

^{9/} U.S. Department of Agriculture, ESCS, Farm Real Estate Market Developments, CD-84, Aug. 1979, pp. 5, 33.

Foreign purchasers are more likely to buy large whole farms to distribute transaction costs. The average size of tracts purchased by foreign owners, according to a recent farm real estate survey, is three to five times the average for all transfers.^{10/} However, for land of a certain quality, the price per acre of land in whole farms will tend to be lower per acre than separated parts of farms.^{11/} Therefore, if foreign buyers are paying higher prices, it is for reasons other than size of unit. Any price differential appears due not to higher prices paid by foreign buyers for comparable land, but to the selective types, qualities, and locations of their purchases.

Foreign purchasers may differ from U.S. purchasers in two ways: (1) Foreign purchasers may capitalize the potential tax advantage in capital gains through a favorable tax treaty^{12/}, so that they may be able to bid higher prices for land, and (2) foreign purchasers may be faced with a number of social and political risk factors at home that make U.S. land appear more attractive than alternatives available to them. Neither of these factors is necessarily associated with agricultural land, so that alternative investments in the United States are likely to prevent the foreign investor from paying excessive prices for farmland. Furthermore, purchasers approaching the market from a national rather than local perspective, as many foreign persons do, are in a better position to find advantageous prices than a purchaser who is limited to the surrounding community.

In short, the relatively unrestricted U.S. real estate market gives little reason for foreign purchasers, or their representatives, to pay more than the market price for land.^{13/} With a wider view of the market and with abundant finances, they can enter the market for larger and more expensive landholdings. Such behavior may give the appearance of paying a premium, when in fact, it is bargain hunting in a segment of the market.

Tenure

Concern has been expressed about the effect of foreign ownership on farming opportunities and the owner-operator features of U.S. agriculture. Foreign owners, as absentees, generally rely on hired managers and tenants to operate their land. As such, it is assumed they will foreclose opportunities for beginning farmers to acquire land.

The opportunity to gain access to or use of land for farming is not foreclosed merely because the operator does not own it. In fact, leasing has been a traditional method of acquiring land for farming, and the proportion of land operated by renters has been remarkably stable throughout the recent history of U.S. agriculture. The percentage of farmland rented has ranged narrowly between 35 and 39 percent during the past half

^{10/} Ibid. p. 68.

^{11/} Ibid. p. 4.

^{12/} These tax advantages tend to be exaggerated. The U.S. Treasury Department has estimated that taxing all the capital gains in sales of foreign-held agricultural land would increase tax revenues to \$22 million in 1979. Its impact on the more than \$14 billion of annual sales of farm real estate is likely to be small. U.S. Department of the Treasury, Taxation of Foreign Investment in U.S. Real Estate, 1979. See also, D. Abramson, K. Gertel, and J. Lewis, Federal Taxation of and Incentives for Foreign Investment in U.S. Real Estate, Lincoln Institute of Land Policy, Cambridge, Mass., Apr. 1978.

^{13/} The average price paid by foreign purchasers for recent acquisitions of agricultural land is \$610 per acre. While higher than the national value of farmland of \$559 per acre, the prices paid by foreigners appear reasonable. The \$610 is calculated from purchases by foreign investors since February 2, 1979. The \$559 is from Farm Real Estate Market Developments, supra note 9, p. 33.

century, with the exception of the thirties when it rose to 45 percent. Foreign owners may displace a few U.S. landlords, but it is unlikely that the tenure structure is being affected significantly. A few sale and leaseback arrangements will not affect land under lease or access to land for farming to any important degree.

Although comparable data for U.S. purchasers are not available, foreign investors have reported a change of operator on about one-fourth of recent acquisitions (see table 17). This proportion does not seem unusually large and would suggest that many foreign purchases result in little change of operator.

A preliminary review of the AFIDA data confirms the conventional notion that cash leases are preferred by more distant owners. The Census of Agriculture shows that 26 percent of farm leases are cash only and an additional 11 percent of the leases are mixed crop-share and cash. Foreign owners who lease their land make use of the cash lease 2.6 times as often as the share lease. Share leases are evidence that the foreign owners are "effectively connected" with the operation. For some income tax situations, the foreign owner may wish to avoid being effectively connected and therefore use the cash-lease arrangement. Cash leases also involve less management, less risk, and more certain return on investment features which might appeal to foreign owners. Foreign owners, therefore, may increase the proportion of rented land that is cash leased.

To the extent that foreign purchasers tend to buy whole farms, they will contribute less to reducing the number of farms than local farmers who add on parts of terminated farms. However, it is unlikely that foreign ownership will have much effect on the size of operating units in either case. The type of owner (individual, partnership, corporation, or other) appears to have greater bearing on the size of the unit than whether the owner is foreign. Both foreign and U.S. corporations have larger units than individuals.^{14/}

Production and Land Use

It is conventionally believed that absentee ownership results in poorer land use and lower productivity. To sustain this belief, it is necessary to show that land is used differently by foreign owners. However, foreign owners reporting under AFIDA overwhelmingly stated that no change was made when land was acquired. Of the 3,559 parcels on which intended use was reported, 91 percent showed no change in intended use (see tables 8 and 16). Broad land-use classes, of course, are inadequate for revealing the differences in quality of management or resource use. To test such differences, studies of the Iowa type described later are necessary.

Jansma and others have concluded that there is no evidence that foreign investors decrease the intensity of land use or otherwise reduce agricultural output and income.^{15/} On the contrary, their study indicated a tendency by foreign investors to increase production and intensity of land use by such means as clearing land to plant crops, irrigating former dryland, and converting native pasture to improved pasture.

There are strong tax incentives for landowners with higher incomes to invest in land improvements, particularly those improvements which will improve longrun productivity.^{16/} To the extent that improvements are deductible from current income or are

^{14/} U.S. Department of Agriculture, Who Owns the Land?, ESCS-70, 1979, p. 11.

^{15/} Jansma, et al., supra note 8, p. 32.

^{16/} R. Boxley and W. Anderson, "An Evaluation of Subsidy Forms for Soil and Water Conservation," in Joint Economic Committee, The Economics of Federal Subsidy Programs, Part 7, 93d Cong., 1st Sess. (1973).

taxed at lower capital gains rates, higher income landowners have a financial edge over lower income owners or potential owners. If foreign owners are among high income owners, they may elect to obtain the same tax advantage historically accorded to real estate as opposed to that accorded to earned income.^{17/}

Because a high proportion of foreign owners lease their land to others, the productivity and production will be affected by the efficiency of leasing. Traditionally, leasing has been regarded as inferior to owner-operatorship, partly on the grounds of inefficiency. These notions of inefficiency were supported by some theoretical statements of the 19th century.^{18/} Empirical studies in the fifties tested the relative efficiency of tenancy, but they generally failed to show that leasing is inefficient. More recent theoretical work, taking into account risk sharing and transaction costs, suggests that leasing arrangements can be a method of efficient agricultural production.^{19/} While this more recent work has some empirical content, the empirical base is still thin. It does suggest, however, that many of the traditional beliefs (theories concerning tenure, the structure of agriculture, and resource control) are open to question.

Communities

The negative effect of foreign ownership on communities is presumed to result from elimination of operators and more extensive operation, a shift toward more distant markets for agricultural inputs and outputs, and a lack of concern for the level and quality of public and social services.

First, depopulation of an area is not inherent in foreign or any other absentee ownership of land. Occupancy has no necessary relationship to ownership. If foreign ownership resulted in the idling of land, then it might induce depopulation, but the AFIDA reports provide no evidence of the idling of land by foreign ownership. On the contrary, the reports show that land continues to be operated either by the same operator or by a replacement (see tables 9 and 17). A general examination of net migration patterns from Bureau of the Census "Current Population Reports" reveals no consistent relationship of these patterns to levels of foreign investment. The same is true of the relationship between farm employment^{20/} or farm numbers^{21/} and the levels of foreign investment. Farm numbers declined nationally slightly over 6 percent between 1975 and 1979; about the same in Georgia, greater than in South Carolina, and slightly less than in Tennessee (States reporting some of the highest rates of foreign investment). Kentucky, which restricts foreign ownership, had a 10-percent decline in farm numbers during 1975-79. Apparently, therefore, foreign ownership of land neither encourages nor prevents the decline in farm numbers.

17/ M. Burge, "Federal Taxes and Foreign Held Real Estate," in U.S. Department of Agriculture, Monitoring Foreign Ownership of U.S. Real Estate, 1979.

18/ Notably, Alfred Marshall, Principles of Economics (1890), 8th edition, Mac-Millan, London, 1964, especially chapter X.

19/ S. Cheung, "Private Property Rights and Sharecropping," 76 Journal of Political Economics 1107, Nov. 1968, and elsewhere, is often credited with starting the reexamination of leasing. For more recent statements, see, P. Bardhan and T. Srinivasan, "Cropsharing Tenancy in Agriculture: A Theoretical and Empirical Analysis," 61 American Economics Review 48-64, Mar. 1971; and J. Sutinen, "The Rational Choice of Share Leasing and Implications for Efficiency," 57 American Journal of Agricultural Economics, Nov. 1975, pp. 613-621.

20/ U.S. Department of Agriculture, Agricultural Statistics: 1978, 1978, p. 430.

21/ Farm Real Estate Market Developments, supra note 9, p. 34.

Although their data were extremely limited, Jansma and others found that foreign-owned land was not farmed less intensively, but more. Thus, value of production in a community apparently would not diminish as a result of foreign ownership, and may even increase. However, their study does not separate the influence of new foreign owners from new owners generally. Since the cycle of farm operations may result in a period of decline before the farm is transferred, a change in ownership and management may be associated with increased productivity regardless of whether the purchaser is foreign or a U.S. citizen.

Foreign owners tend to purchase larger than average units which tend to be served by more distant markets. Larger units may require quantities and types of services that make more distant markets advantageous sources of inputs. Thus, local businesses may decline as the size of agricultural units increase and their numbers decrease. However, there is nothing inherent in foreign acquisition to decrease the number of units or increase their size. To the extent that foreign purchasers acquire whole farm or forest units, they will have less effect on size expansion than U.S. purchasers who add acreage to their own units. The foreign owner, compared with the U.S. owner, is associated with, but does not necessarily contribute to, larger operating units. The forces contributing to the disappearance of small rural communities--improved transportation, financial economies of large-scale borrowing and purchasing, and centralization of processing--will exist whether or not absentee or foreign owners acquire land.

Absentee owners, including foreign owners, have less immediate interests in public and social services than residents. Most of the property tax dollars go towards schools and welfare, neither of which is provided to the absentee. Only a small proportion of real property taxes provide services of the type received by absentee owners. It is possible that if absentee ownership of land became extensive, county residents could vote public measures for their (residents') benefit, the cost of which would be carried by minority absentee owners of taxable property. Absentees cannot vote for local officials or local issues. On balance, it would seem that absentee landowners generate net income to rural counties through payment of taxes and lack of demand for services of county governments.

Services to the property, whether supplied by government or private sources (maintenance, cultivation, construction, and so forth) are as likely to be obtained from the community for absentees as for residents. Personal services to absentees, of course, would not generate jobs in the communities where the land is located. Absentees usually would not participate in social and political community activities, nor would they belong to the local church or fraternal organization, although their tenants or employees might belong. Therefore, it is not clear whether absentee landownership affects the level of membership in local organizations.

Purchases of land from community residents by an absentee owner may result in the short run in an infusion of income, either in a lump sum, in periodic payments, or both. In the longer run, the import of investment funds is offset by the outflow of rents, net of local taxes and local expenses. Whether foreign investment in real estate results in a net financial gain or loss to a community is a matter to be determined from economic facts not obtainable through AFIDA. Subsequent reports will provide a better empirical basis for determining the economic effects on the community of land purchased by investors outside of the community.

The Scale of Impacts

The information from AFIDA, other analyses, and some a priori reasoning suggests that the impact of foreign ownership of real estate on land prices, tenure, land use, and

communities would be similar to that of other absentee owners. The exception may be the capitalization of tax advantages into prices of land purchased by foreigners under some circumstances. These tax advantages, however, are narrowed by taxes in other countries. Entry into the land market by foreign investors, like that of any other investors, is expected to move land prices upward. The expected effect on land use is neutral. The expected effect on tenure is toward leasing, in particular cash leasing. The expected effect on expenditures for conservation, given current tax laws, is positive. The expected income effect on communities, in the short run at least, is positive. The other effects on communities are neutral or too elusive to determine conclusively without further study. USDA has such studies underway.

Whatever the direction of the impacts, however, the quantity of foreign ownership is sufficiently small to conclude that it is unlikely to have any significant impact on agriculture. It is possible that a heavy concentration of acquisitions may affect some individual communities, but these effects are not necessarily undesirable.

Of much greater significance is absentee ownership without regard to nationality. According to the recent survey of landownership conducted by USDA, 20 percent of private land in the United States is held by owners who do not reside in the county in which the land is located.^{22/} In addition, much land is held by owners living within the county but not on the land. Nearly 40 percent of U.S. farmland is leased, and of this, almost 90 percent is held by nonoperating owners. Depending on definitions of owners and types of land, absenteeism could represent a third of farmland ownership and a larger fraction of all agriculture. By contrast, the 5 to 10 million acres of agricultural land, which AFIDA will report when all the forms are processed, will represent less than 1 percent of U.S. agricultural land. If, as now projected, less than 4 million acres of farmland are foreign owned, the proportion will be less than 0.5 percent of the farmland.^{23/}

The Problem of Comparison

Determination of the effects of foreign landownership presumes a separately identifiable effect of nonforeign landownership with which to make a comparison. However, AFIDA does not collect data on nonforeign landownership; the data obtained under section 2 do not provide a basis for the analysis called for in section 5, and data on nonforeign landownership from other sources is not suitable for purposes of comparing such data with that obtained under section 2 of AFIDA.

An analysis of the effect of foreign landownership requires unambiguous and measurable proxies for such general terms as "family farm" or "community." Family farm may be defined in terms of size, form of organization, level of labor input and composition, or source of income. Community may be defined strictly in economic terms or may include social and political features. Without such definitions, however, it is not possible to measure any influence, including that of foreign ownership of land.

The problem of comparison, including analytical definitions, is currently being addressed by ESCS through contracts with outside organizations and by its own staff.

^{22/} U.S. Department of Agriculture, "Resource Economics Survey: Land Ownership Preliminary Data," Sept. 1979.

^{23/} Privately held farmland, which includes cropland, grass, pasture, and range, totals 828 million acres. T. Frey, "Major Uses of Land in the United States: 1974," Econ., Statis., Coop. Service, U.S. Dept. Agr., Ag. Econ. Rpt. No. 440, p. 21, Nov. 1979.

Iowa State University, through a cooperative research agreement with ESCS, is determining empirically whether the patterns of land use, productivity, land prices, conservation, input purchases, and other economic features under foreign landownership differ from those of domestic owners, both local and absentee. Data will be obtained from selected areas in the United States. Analysis will focus on some of the indicators of the effects on farm and rural economies. Comparisons will be made among four classes of ownership: operator of owned land, local non-operator owner, U.S. absentee landowner, and a non-U.S. absentee landowner.

ASCS-153
(3-28-79)U. S. DEPARTMENT OF AGRICULTURE
Agricultural Stabilization and Conservation Service

AGRICULTURAL FOREIGN INVESTMENT DISCLOSURE ACT REPORT

NOTE: Read Instructions on Reverse Before Filling in Any Data Below. If
Additional Space is Needed, Use Reverse.

1. TYPE ACTIVITY (See reverse) (Check one)

A LAND HOLDING ☐ B LAND ACQUISITION ☐ C LAND DISPOSITION ☐
D LAND USE CHANGE TO AGRICULTURE ☐ E LAND USE CHANGE TO NON-AGRICULTURE ☐

| ITEM | OFFICE USE ONLY | ITEM | CHECK |
|---|-----------------|---|-------|
| 2. Tract Location and Description | | 5. Type of Interest Held by Foreign Person (Check one) | |
| A. LEGAL DESCRIPTION OR ASCS TRACT NUMBER | | A. Fee Interest (ownership) Whole | |
| | | B. Fee Interest (ownership) Partial WHAT % | |
| | | C. Life Estate | |
| | | D. Trust Beneficiary | |
| | | E. Option | |
| | | F. Purchase Contract | |
| | | G. Other (explain) | |
| B. COUNTY OR PARISH | | | |
| C. NO. ACRES | | | |
| D. STATE | | | |
| E. F.P. TRACT ID (Office Use Only) | | | |
| 3. Foreign Person - Owner of Tract (in item 2A) (See Reverse) | | 6. How was this Tract Acquired or Transferred? | |
| A. NAME | | A. Cash Transaction | |
| | | B. Credit or Installment Transaction | |
| | | C. Trade | |
| | | D. Gift or Inheritance | |
| | | E. Foreclosure | |
| | | F. Other (explain) | |
| B. ID NO. (Nine digits) | | | |
| CHECK IF NO. NOT KNOWN <input type="checkbox"/> | | | |
| C. ADDRESS (Street, City, State/Province, Country) | | | |
| D. Person Receiving This Tract. Complete ONLY if item 1C - Land Disposition - is checked. | | 7. Land Value, including Improvements | |
| 1. NAME | | A. Purchase Price of Land \$ | |
| | | Non-Purchase, Estimated Value at the Time of Acquisition | |
| 2. ADDRESS (Street, City, State/Province, Country) | | B. What is the estimated current value or if a land disposition, the selling price of the tract of land. | |
| | | C. How much of purchase price in Item 7A remains to be paid | |
| 3. CITIZENSHIP | | 8. Date of Acquisition or Transfer (see reverse) MONTH YEAR | |
| USA <input type="checkbox"/> FOREIGN <input type="checkbox"/> UNKNOWN <input type="checkbox"/> | | | |
| E. Type of Owner (Check one) | | 9. Current Land Use (usual use; for idle, check "Other".) Report in Whole Numbers. | |
| 1. Individual (including husband/wife) | | A. Crop (specify by acreage on reverse) | |
| a. Citizenship of Individual | | B. Pasture | |
| 2. Government (name of country) | | C. Forest or Timber | |
| | | D. Other Agriculture | |
| 3. Organization (list on the reverse the Name, Address and Country of all other foreign persons holding an interest in this tract). | | E. Other Non-Agriculture | |
| a. Type | | F. Total (should equal 2C) | |
| 1) Corporation | | | |
| 2) Partnership | | | |
| 3) Estate | | | |
| 4) Trust | | | |
| 5) Institution | | | |
| 6) Association | | | |
| 7) Other | | | |
| b. Gov't. or country under whose law the organization is created | | | |
| c. Principal place of business (for organizations only) (see reverse) | | | |
| 4. Representative of Foreign Investor (completing form, if applicable) | | 10. Intended Use as of This Date (Check one) | |
| A. NAME | | A. No Change | |
| | | B. Other Agriculture | |
| B. ADDRESS (Street, State and Country) | | C. Other Non-Agriculture | |
| | | | |
| C. TELEPHONE NO. (Area Code) | | 11. Relationship of Foreign Owner to Producer | |
| D. Relationship of Representative to Foreign Person | | A. Producer is (check one): | |
| 1. Attorney | | 1. Foreign owner | |
| 2. Manager | | 2. Manager | |
| 3. Agent | | 3. Tenant or sharecropper | |
| 4. Other (explain on reverse) | | B. Rental agreement is (check one): | |
| | | 1. A crop share | |
| | | 2. Cash or fixed rent | |
| | | 12. Is the Producer on This Tract: | |
| | | A. Same person as when the tract was acquired | |
| | | B. A new person | |
| 13. CERTIFICATION - I certify that the information entered above is complete and correct. I understand that falsification of reporting is subject to a civil penalty not to exceed 25% of the fair market value of the interest held in the tract of land. | | SIGNATURE (Owner or legally authorized representative) DATE | |
| | | TITLE | |

ESCS COPY

NOTE

P.L. 95-460 authorizes collection of the data on this form. The data will be used to determine the effects of foreign persons acquiring, transferring and holding agricultural land, and the effects of such activity on family farms and rural communities. Furnishing the data is mandatory. Failure to comply or falsification of reporting is subject to civil penalty, not to exceed 25 percent of the fair market value of the interest held in the tract on the date of the assessment of such penalty. The data may be furnished to any Agency responsible for enforcing the provision of the Act and to the public.

IMPORTANT

DEFINITION: "Person" means any individual, corporation, company, association, firm, partnership, society, joint stock company, trust, estate, or any other legal entity.

You are a "foreign person" under the provisions of P.L. 95-460 and must complete the front side of this form (ASCS-153) if your answer to each of these three questions is "No".

| | YES | NO |
|--|-----|----|
| 1. I AM a citizen of the United States | | |
| 2. I AM a citizen of the Northern Mariana Islands or the Trust Territories of the Pacific Islands. | | |
| 3. I AM lawfully admitted to the United States for permanent residence, or paroled into the United States, under the Immigration and Nationality Act. | | |
| OR if your answer to any of these three questions is "Yes". | | |
| 4. I AM a "person" other than an individual or government, which is created or organized under the laws of: | | |
| a. A foreign government or which has its principal place of business located outside the United States. | | |
| b. Any State of the United States, and in which 5% or more interest is held directly or indirectly by any foreign individual, government, or legal entity. | | |
| 5. I AM a foreign government. | | |

INSTRUCTIONS

Complete this form in an original and three copies for each tract of land. Report as a tract all acreages under the same ownership in each county or parish. Land in different counties or parishes must be reported as separate tracts. Insertion of carbons is necessary.

Return the original and two copies to the Agricultural Stabilization and Conservation Service (ASCS) county office where the tract of land is located or administered. Retain the last copy (*Foreign Person Copy*) for your records. **DO NOT SEND THIS FORM DIRECT TO WASHINGTON, D.C.**

After the original disclosure on ASCS-153 on the tract(s) of land owned by the same person within a county or parish, each subsequent change of ownership or use must be reported by filing another ASCS-153.

Item 1. ONLY ONE BOX MAY BE CHECKED. If the tract of land to be listed under item 2 was:

1. Owned on February 1, 1979, check ^A LAND HOLDING ☒ and return the completed form by August 1, 1979.

If the tract of land to be listed under item 2 was, on or after February 2, 1979:

2. Acquired, check ^B LAND ACQUISITION ☒ ; or
3. Disposed of, check ^C LAND DISPOSITION ☒ ; or
4. Changed from non-agricultural to agricultural use, check ^D LAND USE CHANGE TO AGRICULTURE ☒ ; or
5. Changed from agricultural to non-agricultural use, check ^E LAND USE CHANGE TO NON-AGRICULTURE ☒ and return the completed form within ninety (90) days after the transaction.

Item 3E3c. If incorporated or formed in the United States as an independent, affiliate, or subsidiary company, show the State of incorporation or formation.

If the answers to 3E3 b and c are "United States" or any "state", list the name of all foreign persons who hold any interest in your organization and their address, citizenship of individual, country of government, and country of incorporation or principal place of business of organizations.

Item 8. This date would be as follows for activity checked in Item 1:

Box A and B - When acquired.

Box C - When disposed of.

Box D and E - When land use changed.

ADDITIONAL INFORMATION (Use additional sheets if more space is needed)

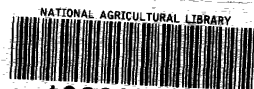
Appendix table 1--Completed reports of U.S. agricultural landholdings, land acquisitions, and land dispositions by foreign investors received by ESCS, October 31, 1979

| State | Landholdings | | Land acquisitions | | Land dispositions | |
|----------------|--------------|-----------|-------------------|---------|-------------------|---------|
| | Parcels | Acreage | Parcels | Acreage | Parcels | Acreage |
| | Number | Acres | Number | Acres | Number | Acres |
| Alabama | 143 | 179,166 | 36 | 5,466 | 1 | 5 |
| Alaska | 2 | 481 | 0 | 0 | 0 | 0 |
| Arizona | 98 | 75,660 | 39 | 3,419 | 2 | 127 |
| Arkansas | 24 | 28,054 | 12 | 9,897 | 0 | 0 |
| California | 385 | 185,706 | 71 | 82,171 | 8 | 856 |
| Colorado | 87 | 182,566 | 17 | 23,837 | 6 | 16,618 |
| Connecticut | 5 | 271 | 0 | 0 | 0 | 0 |
| Delaware | 5 | 6,627 | 3 | 206 | 0 | 0 |
| Florida | 520 | 263,929 | 51 | 8,807 | 7 | 8,861 |
| Georgia | 239 | 267,413 | 37 | 15,470 | 7 | 1,274 |
| Hawaii | 32 | 46,757 | 3 | 6,920 | 0 | 0 |
| Idaho | 28 | 10,110 | 3 | 30 | 4 | 5,637 |
| Illinois | 72 | 39,123 | 7 | 2,732 | 4 | 1,440 |
| Indiana | 50 | 48,223 | 5 | 1,137 | 0 | 0 |
| Iowa | 72 | 21,846 | 20 | 5,585 | 1 | 154 |
| Kansas | 34 | 28,774 | 3 | 2,061 | 0 | 0 |
| Kentucky | 36 | 11,522 | 3 | 1,016 | 2 | 96 |
| Louisiana | 39 | 81,501 | 9 | 22,132 | 0 | 0 |
| Maine | 33 | 335,139 | 1 | 1,500 | 0 | 0 |
| Maryland | 59 | 15,523 | 16 | 3,000 | 1 | 20 |
| Massachusetts | 6 | 439 | 0 | 0 | 0 | 0 |
| Michigan | 56 | 9,020 | 7 | 155 | 0 | 0 |
| Minnesota | 61 | 18,252 | 8 | 254 | 0 | 0 |
| Mississippi | 83 | 82,123 | 16 | 14,753 | 3 | 170 |
| Missouri | 64 | 41,384 | 10 | 2,892 | 5 | 2,264 |
| Montana | 101 | 220,272 | 2 | 41,517 | 1 | 53 |
| Nebraska | 14 | 64,786 | 7 | 387 | 0 | 0 |
| Nevada | 20 | 130,675 | 2 | 37,050 | 0 | 0 |
| New Hampshire | 17 | 31,212 | 1 | 445 | 0 | 0 |
| New Jersey | 31 | 18,375 | 8 | 606 | 4 | 369 |
| New Mexico | 36 | 548,934 | 3 | 1,880 | 0 | 0 |
| New York | 382 | 133,002 | 32 | 5,391 | 1 | 2 |
| North Carolina | 150 | 158,409 | 15 | 2,711 | 2 | 7 |
| North Dakota | 43 | 15,765 | 1 | 216 | 0 | 0 |
| Ohio | 98 | 7,244 | 8 | 2,673 | 3 | 28 |
| Oklahoma | 42 | 9,388 | 4 | 1,356 | 2 | 575 |
| Oregon | 43 | 169,764 | 7 | 1,371 | 1 | 918 |
| Pennsylvania | 50 | 155,026 | 2 | 261 | 0 | 0 |
| South Carolina | 240 | 248,945 | 44 | 12,192 | 19 | 4,597 |
| South Dakota | 41 | 16,598 | 11 | 4,521 | 0 | 0 |
| Tennessee | 137 | 287,411 | 7 | 16,627 | 3 | 119 |
| Texas | 429 | 402,649 | 78 | 32,098 | 10 | 3,250 |
| Utah | 9 | 34,986 | 1 | 320 | 1 | 5 |
| Vermont | 589 | 36,386 | 64 | 4,126 | 16 | 330 |
| Virginia | 92 | 119,537 | 23 | 6,273 | 1 | 56 |
| Washington | 611 | 46,599 | 72 | 4,809 | 6 | 64 |
| West Virginia | 11 | 2,824 | 8 | 2,123 | 0 | 0 |
| Wisconsin | 45 | 11,571 | 6 | 1,798 | 4 | 439 |
| Wyoming | 24 | 8,351 | 1 | 1,600 | 0 | 0 |
| Puerto Rico | 9 | 1,344 | 1 | 598 | 0 | 0 |
| Total | 5,497 | 4,859,662 | 785 | 396,389 | 125 | 48,334 |

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THIRD CLASS



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